

4280

Classes A and B

# PRIVATE UTILITY ANNUAL REPORT

OF

Name: NORTHWESTERN WISCONSIN ELECTRIC COMPANY

Principal Office:

104 South Pine Street, P.O. Box 9, Grantsburg, WI 54840-0009

For the Year Ended: December 31, 2002

## ELECTRIC, WATER, OR GAS UTILITY TO PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854  
Madison, WI 53707-7854  
(608) 266-3766

*This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.*




**FERC FORM NO. 1:**  
**ANNUAL REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHER**

IDENTIFICATION

01 Exact Legal Name of Respondent Northwestern Wisconsin Electric Company		02 Year of Report Dec. 31, <u>2002</u>
03 Previous Name and Date of Change <i>(if name changed during year)</i> <div style="text-align: right;">/ /</div>		
04 Address of Principal Office at End of Year <i>(Street, City, State, Zip Code)</i> 104 South Pine Street, P.O. Box 9, Grantsburg, WI 54840-0009		
05 Name of Contact Person Mark F. Dahlberg	06 Title of Contact Person President	
07 Address of Contact Person <i>(Street, City, State, Zip Code)</i> 104 South Pine Street, P.O. Box 9, Grantsburg, WI 54840-0009		
08 Telephone of Contact Person, <i>Including Area Code</i> (715) 463-5371	09 This Report Is (1) <input checked="" type="checkbox"/> An Original      (2) <input type="checkbox"/> A Resubmission	10 Date of Report <i>(Mo, Da, Yr)</i> 03/31/2003

ATTESTATION

he undersigned officer certifies that he/she has examined the accompanying report: that to the best of his/her knowledge, information, and belief, all statements of fact contained in the accompanying report are true and the accompanying report is a correct statement of the business and affairs of the above named respondent in respect to each and every matter set forth therein during the period from and including January 1 to and including December 31 of the year of the report.

01 Name Mark F. Dahlberg	03 Signature 	04 Date Signed <i>(Mo, Da, Yr)</i> 03/31/2003
02 Title President		

Title 18, U.S.C. 1001 makes it a crime for any person to knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.



**INSTRUCTIONS FOR FILING THE  
FERC FORM NO. 1**

**GENERAL INFORMATION**

**I. Purpose**

This form is a regulatory support requirement (18 CFR 141.1). It is designed to collect financial and operational information from major electric utilities, licensees and others subject to the jurisdiction of the Federal Energy Regulatory Commission. This report is also secondarily considered to be a nonconfidential public use form supporting a statistical publication (Financial Statistics of Selected Electric Utilities), published by the Energy Information Administration.

**II. Who Must Submit**

Each major electric utility, licensee, or other, as classified in the Commission's Uniform System of Accounts Prescribed for Public Utilities and Licensees Subject to the Provisions of The Federal Power Act (18 CFR 101), must submit this form.

Note: Major means having, in each of the three previous calendar years, sales or transmission service that exceeds

one of the following:

- (1) one million megawatt hours of total annual sales,
- (2) 100 megawatt hours of annual sales for resale,
- (3) 500 megawatt hours of annual power exchanges delivered, or
- (4) 500 megawatt hours of annual wheeling for others (deliveries plus Losses).

**III. What and Where to Submit**

(a) Submit this form electronically through the Form 1 Submission Software and an original and six (6) conformed paper copies, properly filed in and attested, to:

Office of the Secretary  
Federal Energy Regulatory Commission  
888 First Street, NE.  
Room 1A  
Washington, DC 20426

Retain one copy of this report for your files.

Include with the original and each conformed paper copy of this form the subscription statement required by 18 C.F.R. 385.2011(c)(5). Paragraph (c)(5) of 18 C.F.R. 385.2011 requires each respondent submitting data electronically to file a subscription stating that the paper copies contain the same information as the electronic filing, that the signer knows the contents of the paper copies and electronic filing, and that the contents as stated in the copies and electronic filing are true to the best knowledge and belief of the signer.

(b) Submit, immediately upon publication, four (4) copies of the Latest annual report to stockholders and any annual financial or statistical report regularly prepared and distributed to bondholders, security analysts, or industry associations. (Do not include monthly and quarterly reports. Indicate by checking the appropriate box on Page 4, List of Schedules, if the reports to stockholders will be submitted or if no annual report to stockholders is prepared.) Mail these reports to:

Chief Accountant  
Federal Energy Regulatory Commission  
888 First Street, NE.  
Washington, DC 20426

(c) For the CPA certification, submit with the original submission, or within 30 days after the filing date for this form, a Letter or report (not applicable to respondents classified as Class C or Class D prior to January 1, 1984):

(i) Attesting to the conformity, in all material aspects, of the below listed (schedules and) pages with the Commission's applicable Uniform Systems of Accounts (including applicable notes relating thereto and the Chief Accountant's published accounting releases), and

(ii) Signed by independent certified public accountants or an independent Licensed public accountant certified or Licensed by a regulatory authority of a State or other political subdivision of the U. S. (See 18 CFR 41.10-41.12 for specific qualifications.)

# GENERAL INFORMATION (continued)

## III. What and Where to Submit (Continued)

(c) Continued

Schedules	Reference Pages
Comparative Balance Sheet	110-113
Statement of Income	114-117
Statement of Retained Earnings	118-119
Statement of Cash Flows	120-121
Notes to Financial Statements	122-123

When accompanying this form, insert the Letter or report immediately following the cover sheet. When submitting after the filing date for this form, send the letter or report to the office of the Secretary at the address indicated at III (a).

Use the following format for the Letter or report unless unusual circumstances or conditions, explained in the Letter or report, demand that it be varied. Insert parenthetical phrases only when exceptions are reported.

In connection with our regular examination of the financial statements of \_\_\_\_\_ for the year ended on which we have reported separately under date of \_\_\_\_\_. We have also reviewed schedules \_\_\_\_\_ of FERC Form No. 1 for the year filed with the Federal Energy Regulatory Commission, for conformity in all material respects with the requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases. Our review for this purpose included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Based on our review, in our opinion the accompanying schedules identified in the preceding paragraph (except as noted below) conform in all material respects with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases.

State in the letter or report, which, if any, of the pages above do not conform to the Commission's requirements. Describe the discrepancies that exist.

(d) Federal, State and Local Governments and other authorized users may obtain additional blank copies to meet their requirements free of charge from:

Public Reference and Files Maintenance Branch  
Federal Energy Regulatory Commission  
888 First Street, NE. Room 2A ES-1  
Washington, DC 20426  
(202) 208-2474

## IV. When to Submit

Submit this report form on or before April 30th of the year following the year covered by this report.

## V. Where to Send Comments on Public Reporting Burden

The public reporting burden for this collection of information is estimated to average 1,217 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any aspect of this collection of information, including suggestions for reducing this burden, to the Federal Energy Regulatory Commission, 888 First Street N.E., Washington, DC 20426 (Attention: Mr. Michael Miller, CI-1); and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503 (Attention: Desk Officer for the Federal Energy Regulatory Commission). No person shall be subject to any penalty if this collection of information does not display a valid control number. (44 U.S.C. 3512(a)).

## GENERAL INSTRUCTIONS

- I. Prepare this report in conformity with the Uniform System of Accounts (18 CFR 101) (U.S. of A.). Interpret all accounting words and phrases in accordance with the U. S. of A.
- II. Enter in whole numbers (dollars or MWH) only, except where otherwise noted. (Enter cents for averages and figures per unit where cents are important. The truncating of cents is allowed except on the four basic financial statements where rounding is required.) The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the balances at the end of the current reporting year, and use for statement of income accounts the current year's amounts.
- III. Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "None" where it truly and completely states the fact.
- IV. For any page(s) that is not applicable to the respondent, omit the page(s) and enter "NA," "NONE," or "Not Applicable" in column (d) on the List of Schedules, pages 2, 3, and 4.
- V. Enter the month, day, and year for all dates. Use customary abbreviations. The "Date of Report" included in the header of each page is to be completed only for resubmissions (see VII. below). The date of the resubmission must be reported in the header for all form pages, whether or not they are changed from the previous filing.
- VI. Generally, except for certain schedules, all numbers, whether they are expected to be debits or credits, must be reported as positive. Numbers having a sign that is different from the expected sign must be reported by enclosing the numbers in parentheses.
- VII. For any resubmissions, submit the electronic filing using the Form 1 Submission Software and an original and six (6) conformed paper copies of the entire form, as well as the appropriate number of copies of the subscription statement indicated at instruction III (a). Resubmissions must be numbered sequentially on the cover page of the paper copies of the form. In addition, the cover page of each paper copy must indicate that the filing is a resubmission. Send the resubmissions to the address indicated at instruction III (a).
- VIII. Do not make references to reports of previous years or to other reports in lieu of required entries, except as specifically authorized.
- IX. Wherever (schedule) pages refer to figures from a previous year, the figures reported must be based upon those shown by the annual report of the previous year, or an appropriate explanation given as to why the different figures were used.

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## DEFINITIONS

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- I. Commission Authorization (Comm. Auth.) -- The authorization of the Federal Energy Regulatory Commission, or any other Commission. Name the commission whose authorization was obtained and give date of the authorization.
- II. Respondent -- The person, corporation, licensee, agency, authority, or other Legal entity or instrumentality in whose behalf the report is made.

EXCERPTS FROM THE LAW

Federal Power Act, 16 U.S.C. 791a-825r)

"Sec. 3. The words defined in this section shall have the following meanings for purposes of this Act, to wit:  
...(3) "Corporation" means any corporation, joint-stock company, partnership, association, business trust, organized group of persons, whether incorporated or not, or a receiver or receivers, trustee or trustees of any of the foregoing. It shall not include 'municipalities, as hereinafter defined;

(4) "Person" means an individual or a corporation;

(5) "Licensee" means any person, State, or municipality Licensed under the provisions of section 4 of this Act, and any assignee or successor in interest thereof;

(7) "Municipality" means a city, county, irrigation district, drainage district, or other political subdivision or agency of a State competent under the Laws thereof to carry on the business of developing, transmitting, unitizing, or distributing power;..."

(11) "Project" means a complete unit of improvement or development, consisting of a power house, all water conduits, all dams and appurtenant works and structures (including navigation structures) which are a part of said unit, and all storage, diverting, or forebay reservoirs directly connected therewith, the primary line or Lines transmitting power therefrom to the point of junction with the distribution system or with the interconnected primary transmission system, all miscellaneous structures used and useful in connection with said unit or any part thereof, and all water rights, rights-of-way, ditches, dams, reservoirs, Lands, or interest in Lands the use and occupancy of which are necessary or appropriate in the maintenance and operation of such unit;

"Sec. 4. The Commission is hereby authorized and empowered:

(a) To make investigations and to collect and record data concerning the utilization of the water 'resources of any region to be developed, the water-power industry and its relation to other industries and to interstate or foreign commerce, and concerning the location, capacity, development costs, and relation to markets of power sites; ... to the extent the Commission may deem necessary or useful for the purposes of this Act."

"Sec. 304. (a) Every Licensee and every public utility shall file with the Commission such annual and other periodic or special reports as the Commission may by rules and regulations or other prescribe as necessary or appropriate to assist the Commission in the proper administration of this Act. The Commission may prescribe the manner and form in which such reports shall be made, and require from such persons specific answers to all questions upon which the Commission may need information. The Commission may require that such reports shall include, among other things, full information as to assets and Liabilities, capitalization, net investment, and reduction thereof, gross receipts, interest due and paid, depreciation, and other reserves, cost of project and other facilities, cost of maintenance and operation of the project and other facilities, cost of renewals and replacement of the project works and other facilities, depreciation, generation, transmission, distribution, delivery, use, and sale of electric energy. The Commission may require any such person to make adequate provision for currently determining such costs and other facts. Such reports shall be made under oath unless the Commission otherwise specifies."

"Sec. 309. The Commission shall have power to perform any and all acts, and to prescribe, issue, make, and rescind such orders, rules and regulations as it may find necessary or appropriate to carry out the provisions of this Act. Among other things, such rules and regulations may define accounting, technical, and trade terms used in this Act; and may prescribe the form or forms of all statements, declarations, applications, and reports to be filed with the Commission, the information which they shall contain, and the time within which they shall be filed..."

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General Penalties  
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"Sec. 315. (a) Any licensee or public utility which willfully fails, within the time prescribed by the Commission, to comply with any order of the Commission, to file any report required under this Act or any rule or regulation of the Commission thereunder, to submit any information or document required by the Commission in the course of an investigation conducted under this Act ... shall forfeit to the United States an amount not exceeding \$1,000 to be fixed by the Commission after notice and opportunity for hearing..."



Name of Respondent Northwestern Wisconsin Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
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**LIST OF SCHEDULES (Electric Utility)**

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
1	General Information	101	
2	Control Over Respondent	102	
3	Corporations Controlled by Respondent	103	
4	Officers	104	
5	Directors	105	
6	Important Changes During the Year	108-109	
7	Comparative Balance Sheet	110-113	
8	Statement of Income for the Year	114-117	
9	Statement of Retained Earnings for the Year	118-119	
10	Statement of Cash Flows	120-121	
11	Notes to Financial Statements	122-123	
12	Statement of Accum Comp Income, Comp Income, and Hedging Activities	122(a)(b)	
13	Summary of Utility Plant & Accumulated Provisions for Dep, Amort & Dep	200-201	
14	Nuclear Fuel Materials	202-203	NA
15	Electric Plant in Service	204-207	
16	Electric Plant Leased to Others	213	NA
17	Electric Plant Held for Future Use	214	NA
18	Construction Work in Progress-Electric	216	
19	Accumulated Provision for Depreciation of Electric Utility Plant	219	
20	Investment of Subsidiary Companies	224-225	
21	Materials and Supplies	227	
22	Allowances	228-229	NA
23	Extraordinary Property Losses	230	NA
24	Unrecovered Plant and Regulatory Study Costs	230	NA
25	Other Regulatory Assets	232	NA
26	Miscellaneous Deferred Debits	233	
27	Accumulated Deferred Income Taxes	234	NA
28	Capital Stock	250-251	
29	Other Paid-in Capital	253	NA
30	Capital Stock Expense	254	NA
31	Long-Term Debit	256-257	
32	Reconciliation of Reported Net Income with Taxable Inc for Fed Inc Tax	261	
33	Taxes Accrued, Prepaid and Charged During the Year	262-263	
34	Accumulated Deferred Investment Tax Credits	266-267	
35	Other Deferred Credits	269	
36	Accumulated Deferred Income Taxes-Accelerated Amortization Property	272-273	NA

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LIST OF SCHEDULES (Electric Utility) (continued)				
Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".				
Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)	
37	Accumulated Deferred Income Taxes-Other Property	274-275		
38	Accumulated Deferred Income Taxes-Other	276-277	NA	
39	Other Regulatory Liabilities	278	NA	
40	Electric Operating Revenues	300-301		
41	Sales of Electricity by Rate Schedules	304		
42	Sales for Resale	310-311		
43	Electric Operation and Maintenance Expenses	320-323		
44	Purchased Power	326-327		
45	Transmission of Electricity for Others	328-330		
46	Transmission of Electricity by Others	332	NA	
47	Miscellaneous General Expenses-Electric	335		
48	Depreciation and Amortization of Electric Plant	336-337		
49	Regulatory Commission Expenses	350-351		
50	Research, Development and Demonstration Activities	352-353	NA	
51	Distribution of Salaries and Wages	354-355		
52	Common Utility Plant and Expenses	356	NA	
53	Electric Energy Account	401		
54	Monthly Peaks and Output	401		
55	Steam Electric Generating Plant Statistics (Large Plants)	402-403	NA	
56	Hydroelectric Generating Plant Statistics (Large Plants)	406-407	NA	
57	Pumped Storage Generating Plant Statistics (Large Plants)	408-409	NA	
58	Generating Plant Statistics (Small Plants)	410-411		
59	Transmission Line Statistics	422-423		
60	Transmission Lines Added During Year	424-425		
61	Substations	426-427		
62	Footnote Data	450		
	Stockholders' Reports Check appropriate box: <input checked="" type="checkbox"/> Four copies will be submitted <input type="checkbox"/> No annual report to stockholders is prepared			

<b>Name of Respondent</b> Northwestern Wisconsin Electric Company	<b>This Report Is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> <i>(Mo, Da, Yr)</i> 03/31/2003	<b>Year of Report</b> Dec. 31, <u>2002</u>
<b>GENERAL INFORMATION</b>			
<p>1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept, and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.</p> <p>JOHN E. DAHLBERG, SECRETARY &amp; TREASURER          104 SOUTH PINE STREET, P.O. BOX 9          GRANTSBURG, WI 54840-0009</p>			
<p>2. Provide the name of the State under the laws of which respondent is incorporated, and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.</p> <p>WISCONSIN, JUNE 1, 1920          NAME CHANGED JANUARY 11, 1937</p>			
<p>3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.</p> <p>N/A</p>			
<p>4. State the classes or utility and other services furnished by respondent during the year in each State in which the respondent operated.</p> <p>ELECTRIC UTILITY - WISCONSIN AND MINNESOTA          (STATE OF MINNESOTA - ONLY 103 CUSTOMERS)</p>			
<p>5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?</p> <p>(1) <input type="checkbox"/> Yes...Enter the date when such independent accountant was initially engaged:          (2) <input checked="" type="checkbox"/> No</p>			



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**CONTROL OVER RESPONDENT**

1. If any corporation, business trust, or similar organization or a combination of such organizations jointly held control over the respondent at the end of the year, state name of controlling corporation or organization, manner in which control was held, and extent of control. If control was in a holding company organization, show the chain of ownership or control to the main parent company or organization. If control was held by a trustee(s), state name of trustee(s), name of beneficiary or beneficiaries for whom trust was maintained, and purpose of the trust.

**LOCALLY OWNED BY COMMON STOCK ONLY**



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**CORPORATIONS CONTROLLED BY RESPONDENT**

1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.
2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.
3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.

**Definitions**

1. See the Uniform System of Accounts for a definition of control.
2. Direct control is that which is exercised without interposition of an intermediary.
3. Indirect control is that which is exercised by the interposition of an intermediary which exercises direct control.
4. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.

Line No.	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock Owned (c)	Footnote Ref. (d)
1	NORTHWESTERN ENERGY SERVICES, INC.	CUSTOM CONTRACTING	100	
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**OFFICERS**

1. Report below the name, title and salary for each executive officer whose salary is \$50,000 or more. An "executive officer" of a respondent includes its president, secretary, treasurer, and vice president in charge of a principal business unit, division or function (such as sales, administration or finance), and any other person who performs similar policy making functions.
2. If a change was made during the year in the incumbent of any position, show name and total remuneration of the previous incumbent, and the date the change in incumbency was made.

Line No.	Title (a)	Name of Officer (b)	Salary for Year (c)
1	PRESIDENT	MARK F. DAHLBERG	81,529
2	SECRETARY & TREASURER	JOHN E. DAHLBERG	77,316
3	VICE PRESIDENT - PURCHASING	DANIEL J. DAHLBERG	60,357
4	VICE PRESIDENT	DAVID M. DAHLBERG	59,061
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**DIRECTORS**

1. Report below the information called for concerning each director of the respondent who held office at any time during the year. Include in column (a), abbreviated titles of the directors who are officers of the respondent.

2. Designate members of the Executive Committee by a triple asterisk and the Chairman of the Executive Committee by a double asterisk.

Line No.	Name (and Title) of Director (a)	Principal Business Address (b)
1	**MARK F. DAHLBERG, PRESIDENT	104 SOUTH PINE STREET, P.O. BOX 9, GRANTSBURG WI
2	***DEAN J. DAHLBERG, EXECUTIVE VICE PRESIDENT	104 EAST OAK STREET, P.O. BOX 467, FREDERIC, WI
3	***GUS E. DAHLBERG, SENIOR VICE PRESIDENT	105 LAKE AVENUE, P.O. BOX 300, SOLON SPRINGS, WI
4	***JOHN E. DAHLBERG, SECRETARY & TREASURER	104 SOUTH PINE STREET, P.O. BOX 9, GRANTSBURG WI
5	DANIEL J. DAHLBERG, VICE PRESIDENT - PURCHASING	104 SOUTH PINE STREET, P.O. BOX 9, GRANTSBURG, WI
6	DAVID M. DAHLBERG, VICE PRESIDENT	104 SOUTH PINE STREET, P.O. BOX 9, GRANTSBURG, WI
7	JAMES D. DAHLBERG, DIRECTOR	105 LAKE AVENUE, P.O. BOX 300, SOLON SPRINGS, WI
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### SECURITY HOLDERS AND VOTING POWERS

1. Give the names and addresses of the 10 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent, prior to the end of the year had the highest voting powers in the respondent, and state the number of votes which each would have had the right to cast on that date if a meeting were then in order. If any such holder held in trust, give in a footnote the known particulars of the trust (whether voting trust, etc.) duration of trust, and principal holders of beneficiary interests in the trust. If the stock book was not closed or a list of stockholders was not compiled within one year prior to the end of the year, or if since the previous compilation of a List of stockholders, some other class of security has become vested with voting rights, then show such 10 security holders as of the close of the year. Arrange the names of the security holders in the order of voting power, commencing with the highest. Show in column (a) the titles of officers and directors included in such list of 10 security holders.
2. If any security other than stock carries voting rights, explain in a footnote the circumstances whereby such security became vested with voting rights give other important particulars (details) concerning voting rights of such security. State whether voting right are actual or contingent; if contingent, describe the contingency.
3. If any class or issue of security has any special privileges in the election of directors, trustees or managers, or in the determination of corporate action by any method explain briefly in a footnote.
4. Furnish particulars (details) concerning any options warrants, or rights outstanding at the end of the year others to purchase securities of the respondent or any securities or other assets owned by the respondent, including prices, expiration dates, and other material information relating to exercise of the options, warrants, or right the amount of such securities or assets so entitled to purchased by any officer, director, associated company, or of the ten largest security holders. This instruction is inapplicable to convertible securities or to any securities substantially all of which are outstanding in the hands of the public where the options, warrants, or rights were issued prorata basis.

1. Give the date of the latest closing of the stock book prior to end of year, and state the purpose of such closing:

DECEMBER 17, 2002

DECLARATION OF DIVIDEND

2. State the total number of votes cast at the latest general meeting prior to end of year for election of directors of the respondent and number of such votes cast by proxy

Total: 44,982

By Proxy: 44,843

3. Give the date and place of such meeting

APRIL 11, 2002

104 SOUTH PINE STREET  
GRANTSBURG, WI 54840

Line No.	Name (Title) and Address of Security Holder (a)	VOTING SECURITIES			
		Number of Votes as of (date): 12/31/2002			
		Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)
4	TOTAL votes of all voting securities	61,960	61,960		
5	TOTAL number of security holders	394	394		
6	TOTAL votes of security holders listed below	18,224	18,224		
7					
8	MARK F. DAHLBERG (PRESIDENT)	3,033	3,033		
9	OR MAUDE C. DAHLBERG				
10	352 WEST SKYLINE DRIVE				
11	GRANTSBURG, WI 54840				
12	DEAN J. DAHLBERG (EXEC.VICE PRESIDENT)	2,453	2,453		
13	OR MARLENE DAHLBERG				
14	P.O. BOX 131				
15	FREDERIC, WI 54837				
16	JANE E. YIRA	2,028	2,028		
17	FOR JOSEPH YIRA				
18	969 - 85TH AVENUE				

Name of Respondent Northwestern Wisconsin Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/31/03	Year of Report Dec. 31, 2002
SECURITY HOLDERS AND VOTING POWERS (Continued)					
Line No.	Name (Title) and Address of Security Holder (a)	Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)
19	AMERY, WI 54001				
20	JOHN E. DAHLBERG (SECRETARY &	1,926	1,926		
21	368 WEST WISCONSIN AVENUE				
22	GRANTSBURG, WI 54840				
23	GAYLE D. BINFORD	1,907	1,907		
24	OR EUGENE E. BINFORD				
25	1189 MEADOW OAKS DRIVE				
26	ACWORTH, GA 30101				
27	ALLAN D. ANDERSON	1,858	1,858		
28	P.O. BOX 445				
29	GRANTSBURG, WI 54840				
30	KATHLEEN A. CHRISTENSEN	1,374	1,374		
31	555 NORTH ROBERT STREET				
32	GRANTSBURG, WI 54840				
33	KAREN R. LANDRO	1,256	1,256		
34	OR KENNETH A. LANDRO				
35	1890 HAMPSHIRE LANE NORTH				
36	MINNEAPOLIS, MN 55427				
37	ALBERT N. DAHLBERG	1,230	1,230		
38	OR DOROTHY L. DAHLBERG				
39	410 NORTH PINE STREET				
40	GRANTSBURG, WI 54840				
41	VERNER G. DAHLBERG	1,159	1,159		
42	OR VIOLET DAHLBERG				
43	11746 NORTH SHORE DRIVE				
44	GRANTSBURG, WI 54840				
45					
46					
47					
48					
49					
50					
51					
52					
53					



Name of Respondent Northwestern Wisconsin Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 03/31/2003	Year of Report Dec. 31, 2002
<b>IMPORTANT CHANGES DURING THE YEAR</b>			
<p>Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry should be answered. Enter "none," "not applicable," or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.</p> <p>1. Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.</p> <p>2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.</p> <p>3. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission.</p> <p>4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other condition. State name of Commission authorizing lease and give reference to such authorization.</p> <p>5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc.</p> <p>6. Obligations incurred as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short-term debt and commercial paper having a maturity of one year or less. Give reference to FERC or State Commission authorization, as appropriate, and the amount of obligation or guarantee.</p> <p>7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.</p> <p>8. State the estimated annual effect and nature of any important wage scale changes during the year.</p> <p>9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.</p> <p>10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on Page 106, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.</p> <p>11. (Reserved.)</p> <p>12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by Instructions 1 to 11 above, such notes may be included on this page.</p>			
<p>PAGE 108 INTENTIONALLY LEFT BLANK SEE PAGE 109 FOR REQUIRED INFORMATION.</p>			





Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year of Report
Northwestern Wisconsin Electric Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	03/31/2003	Dec 31, 2002
IMPORTANT CHANGES DURING THE YEAR (Continued)			

1. None
2. None
3. None
4. None
5. None
6. Series K Bond Issue \$3.5 Million, 7.83%, dated 6/01/02, due 6/01/17. PSC Docket No. 4160-SB-121.  
  
Short Term Debt - borrowing at banks and demand notes to individuals - \$6 Million, interest rates varied from 4.5% to 4.0%. Highest -\$5,960,000, Lowest - \$2,959,000  
PSC Docket No. 4160-SB-122.
7. None
8. None
9. None
10. None
11. Not applicable
12. None



Name of Respondent Northwestern Wisconsin Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
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**COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)**

Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
1	<b>UTILITY PLANT</b>			
2	Utility Plant (101-106, 114)	200-201	35,080,711	37,149,165
3	Construction Work in Progress (107)	200-201	1,045,307	406,401
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		36,126,018	37,555,566
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 111, 115)	200-201	13,218,096	13,620,004
6	Net Utility Plant (Enter Total of line 4 less 5)		22,907,922	23,935,562
7	Nuclear Fuel (120.1-120.4, 120.6)	202-203	0	0
8	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-203	0	0
9	Net Nuclear Fuel (Enter Total of line 7 less 8)		0	0
10	Net Utility Plant (Enter Total of lines 6 and 9)		22,907,922	23,935,562
11	Utility Plant Adjustments (116)	122	0	0
12	Gas Stored Underground - Noncurrent (117)		0	0
13	<b>OTHER PROPERTY AND INVESTMENTS</b>			
14	Nonutility Property (121)	221	0	0
15	(Less) Accum. Prov. for Depr. and Amort. (122)		0	0
16	Investments in Associated Companies (123)		0	0
17	Investment in Subsidiary Companies (123.1)	224-225	10,000	10,000
18	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
19	Noncurrent Portion of Allowances	228-229	0	0
20	Other Investments (124)		10,144	10,813
21	Special Funds (125-128)		94,742	1,000
22	TOTAL Other Property and Investments (Total of lines 14-17,19-21)		114,886	21,813
23	<b>CURRENT AND ACCRUED ASSETS</b>			
24	Cash (131)		71,259	177,232
25	Special Deposits (132-134)		0	0
26	Working Fund (135)		800	800
27	Temporary Cash Investments (136)		0	0
28	Notes Receivable (141)		0	0
29	Customer Accounts Receivable (142)		1,008,915	1,188,469
30	Other Accounts Receivable (143)		98,985	151,470
31	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		10,000	11,700
32	Notes Receivable from Associated Companies (145)		0	0
33	Accounts Receivable from Assoc. Companies (146)		0	0
34	Fuel Stock (151)	227	42,980	33,384
35	Fuel Stock Expenses Undistributed (152)	227	0	0
36	Residuals (Elec) and Extracted Products (153)	227	0	0
37	Plant Materials and Operating Supplies (154)	227	625,619	542,288
38	Merchandise (155)	227	9,009	10,538
39	Other Materials and Supplies (156)	227	0	0
40	Nuclear Materials Held for Sale (157)	202-203/227	0	0
41	Allowances (158.1 and 158.2)	228-229	0	0
42	(Less) Noncurrent Portion of Allowances		0	0
43	Stores Expense Undistributed (163)	227	0	0
44	Gas Stored Underground - Current (164.1)		0	0
45	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)		0	0
46	Prepayments (165)		352,192	423,630
47	Advances for Gas (166-167)		0	0
48	Interest and Dividends Receivable (171)		0	0
49	Rents Receivable (172)		0	0
50	Accrued Utility Revenues (173)		664,637	718,656
51	Miscellaneous Current and Accrued Assets (174)		0	0
52	Derivative Instrument Assets (175)		0	0

Name of Respondent Northwestern Wisconsin Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)(Continued)					
Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)	
53	Derivative Instrument Assets - Hedges (176)		0	0	
54	TOTAL Current and Accrued Assets (Enter Total of lines 24 thru 53)		2,864,396	3,234,767	
55	DEFERRED DEBITS				
56	Unamortized Debt Expenses (181)		91,725	117,859	
57	Extraordinary Property Losses (182.1)	230	0	0	
58	Unrecovered Plant and Regulatory Study Costs (182.2)	230	0	0	
59	Other Regulatory Assets (182.3)	232	0	0	
60	Prelim. Survey and Investigation Charges (Electric) (183)		0	148	
61	Prelim. Sur. and Invest. Charges (Gas) (183.1, 183.2)		0	0	
62	Clearing Accounts (184)		0	0	
63	Temporary Facilities (185)		0	0	
64	Miscellaneous Deferred Debits (186)	233	353,802	340,663	
65	Def. Losses from Disposition of Utility Plt. (187)		0	0	
66	Research, Devel. and Demonstration Expend. (188)	352-353	0	0	
67	Unamortized Loss on Reaquired Debt (189)		0	0	
68	Accumulated Deferred Income Taxes (190)	234	0	0	
69	Unrecovered Purchased Gas Costs (191)		0	0	
70	TOTAL Deferred Debits (Enter Total of lines 56 thru 69)		445,527	458,670	
71	TOTAL Assets and Other Debits (Enter Total of lines 10;11,12,22,54,70)		26,332,731	27,650,812	

Name of Respondent Northwestern Wisconsin Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)					
Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)	
1	<b>PROPRIETARY CAPITAL</b>				
2	Common Stock Issued (201)	250-251	6,196,000	6,196,000	
3	Preferred Stock Issued (204)	250-251	0	0	
4	Capital Stock Subscribed (202, 205)	252	0	0	
5	Stock Liability for Conversion (203, 206)	252	0	0	
6	Premium on Capital Stock (207)	252	0	0	
7	Other Paid-In Capital (208-211)	253	0	0	
8	Installments Received on Capital Stock (212)	252	0	0	
9	(Less) Discount on Capital Stock (213)	254	0	0	
10	(Less) Capital Stock Expense (214)	254	0	0	
11	Retained Earnings (215, 215.1, 216)	118-119	2,696,959	3,438,865	
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	0	0	
13	(Less) Required Capital Stock (217)	250-251	0	0	
14	Accumulated Other Comprehensive Income (219)	122(a)(b)	0	0	
15	TOTAL Proprietary Capital (Enter Total of lines 2 thru 13)		8,892,959	9,634,865	
16	<b>LONG-TERM DEBT</b>				
17	Bonds (221)	256-257	8,500,000	11,500,000	
18	(Less) Required Bonds (222)	256-257	0	0	
19	Advances from Associated Companies (223)	256-257	0	0	
20	Other Long-Term Debt (224)	256-257	0	0	
21	Unamortized Premium on Long-Term Debt (225)		0	0	
22	(Less) Unamortized Discount on Long-Term Debt-Debit (226)		0	0	
23	TOTAL Long-Term Debt (Enter Total of lines 16 thru 21)		8,500,000	11,500,000	
24	<b>OTHER NONCURRENT LIABILITIES</b>				
25	Obligations Under Capital Leases - Noncurrent (227)		0	0	
26	Accumulated Provision for Property Insurance (228.1)		0	0	
27	Accumulated Provision for Injuries and Damages (228.2)		0	0	
28	Accumulated Provision for Pensions and Benefits (228.3)		170,987	187,803	
29	Accumulated Miscellaneous Operating Provisions (228.4)		0	0	
30	Accumulated Provision for Rate Refunds (229)		0	0	
31	TOTAL OTHER Noncurrent Liabilities (Enter Total of lines 24 thru 29)		170,987	187,803	
32	<b>CURRENT AND ACCRUED LIABILITIES</b>				
33	Notes Payable (231)		5,647,000	2,959,000	
34	Accounts Payable (232)		781,229	1,064,205	
35	Notes Payable to Associated Companies (233)		0	0	
36	Accounts Payable to Associated Companies (234)		0	0	
37	Customer Deposits (235)		59,868	67,865	
38	Taxes Accrued (236)	262-263	116,632	-221,550	
39	Interest Accrued (237)		128,634	142,795	
40	Dividends Declared (238)		0	0	
41	Matured Long-Term Debt (239)		0	0	
42	Matured Interest (240)		0	0	
43	Tax Collections Payable (241)		31,118	52,935	
44	Miscellaneous Current and Accrued Liabilities (242)		55,787	59,514	
45	Obligations Under Capital Leases-Current (243)		0	0	





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**STATEMENT OF INCOME FOR THE YEAR**

1. Report amounts for accounts 412 and 413, Revenue and Expenses from Utility Plant Leased to Others, in another Utility column (i, k, m, o) in a similar manner to a utility department. Spread the amount(s) over Lines 02 thru 24 as appropriate. Include these amounts in columns (c) and (d) totals.
2. Report amounts in account 414, Other Utility Operating income, in the same manner as accounts 412 and 413 above.
3. Report data for lines 7,9, and 10 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1 and 407.2.
4. Use pages 122-123 for important notes regarding the statement of income or any account thereof.
5. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in a material refund to the utility with respect to power or gas purchases. State for each year affected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power and gas purchases.
6. Give concise explanations concerning significant amounts of any refunds made or received during the year

Line No.	Account (a)	(Ref.) Page No. (b)	TOTAL	
			Current Year (c)	Previous Year (d)
1	UTILITY OPERATING INCOME			
2	Operating Revenues (400)	300-301	14,335,998	13,657,707
3	Operating Expenses			
4	Operation Expenses (401)	320-323	9,198,959	8,808,868
5	Maintenance Expenses (402)	320-323	613,483	449,573
6	Depreciation Expense (403)	336-337	1,631,446	1,099,643
7	Amort. & Depl. of Utility Plant (404-405)	336-337	3,000	3,000
8	Amort. of Utility Plant Acq. Adj. (406)	336-337		
9	Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407)			
10	Amort. of Conversion Expenses (407)			
11	Regulatory Debits (407.3)			
12	(Less) Regulatory Credits (407.4)			
13	Taxes Other Than Income Taxes (408.1)	262-263	489,832	449,915
14	Income Taxes - Federal (409.1)	262-263	247,529	596,522
15	- Other (409.1)	262-263	109,106	121,707
16	Provision for Deferred Income Taxes (410.1)	234, 272-277		
17	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234, 272-277	15,102	16,337
18	Investment Tax Credit Adj. - Net (411.4)	266		
19	(Less) Gains from Disp. of Utility Plant (411.6)			
20	Losses from Disp. of Utility Plant (411.7)		5,765	199,568
21	(Less) Gains from Disposition of Allowances (411.8)			
22	Losses from Disposition of Allowances (411.9)			
23	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 22)		12,284,018	11,712,459
24	Net Util Oper Inc (Enter Tot line 2 less 23) Carry fwd to P117,line 25		2,051,980	1,945,248



Name of Respondent Northwestern Wisconsin Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
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**STATEMENT OF INCOME FOR THE YEAR (Continued)**

resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.

7. If any notes appearing in the report to stockholders are applicable to this Statement of Income, such notes may be included on pages 122-123.

B. Enter on pages 122-123 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also give the approximate dollar effect of such changes.

9. Explain in a footnote if the previous year's figures are different from that reported in prior reports.

10. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles, lines 2 to 23, and report the information in the blank space on pages 122-123 or in a footnote.

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY		Line No.
Current Year (e)	Previous Year (f)	Current Year (g)	Previous Year (h)	Current Year (i)	Previous Year (j)	
						1
14,335,998	13,657,707					2
						3
9,198,959	8,808,868					4
613,483	449,573					5
1,631,446	1,099,643					6
3,000	3,000					7
						8
						9
						10
						11
						12
489,832	449,915					13
247,529	596,522					14
109,106	121,707					15
						16
15,102	16,337					17
						18
						19
5,765	199,568					20
						21
						22
12,284,018	11,712,459					23
2,051,980	1,945,248					24



Name of Respondent Northwestern Wisconsin Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
STATEMENT OF INCOME FOR THE YEAR (Continued)					
Line No.	Account (a)	(Ref.) Page No. (b)	TOTAL		
			Current Year (c)	Previous Year (d)	
25	Net Utility Operating Income (Carried forward from page 114)		2,051,980	1,945,248	
26	Other Income and Deductions				
27	Other Income				
28	Nonutility Operating Income				
29	Revenues From Merchandising, Jobbing and Contract Work (415)		47,244	35,369	
30	(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)		27,470	20,342	
31	Revenues From Nonutility Operations (417)				
32	(Less) Expenses of Nonutility Operations (417.1)				
33	Nonoperating Rental Income (418)				
34	Equity in Earnings of Subsidiary Companies (418.1)	119			
35	Interest and Dividend Income (419)		2,599	21	
36	Allowance for Other Funds Used During Construction (419.1)				
37	Miscellaneous Nonoperating Income (421)		2,505	3,040	
38	Gain on Disposition of Property (421.1)		300		
39	TOTAL Other Income (Enter Total of lines 29 thru 38)		25,178	18,088	
40	Other Income Deductions				
41	Loss on Disposition of Property (421.2)				
42	Miscellaneous Amortization (425)	340			
43	Miscellaneous Income Deductions (426.1-426.5)	340	6,263	4,471	
44	TOTAL Other Income Deductions (Total of lines 41 thru 43)		6,263	4,471	
45	Taxes Applic. to Other Income and Deductions				
46	Taxes Other Than Income Taxes (408.2)	262-263			
47	Income Taxes-Federal (409.2)	262-263	6,476		
48	Income Taxes-Other (409.2)	262-263			
49	Provision for Deferred Inc. Taxes (410.2)	234, 272-277			
50	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234, 272-277			
51	Investment Tax Credit Adj.-Net (411.5)				
52	(Less) Investment Tax Credits (420)				
53	TOTAL Taxes on Other Income and Deduct. (Total of 46 thru 52)		6,476		
54	Net Other Income and Deductions (Enter Total lines 39, 44, 53)		12,439	13,617	
55	Interest Charges				
56	Interest on Long-Term Debt (427)		716,703	622,242	
57	Amort. of Debt Disc. and Expense (428)		10,616	9,820	
58	Amortization of Loss on Reaquired Debt (428.1)				
59	(Less) Amort. of Premium on Debt-Credit (429)				
60	(Less) Amortization of Gain on Reaquired Debt-Credit (429.1)				
61	Interest on Debt to Assoc. Companies (430)	340			
62	Other Interest Expense (431)	340	186,258	339,069	
63	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)				
64	Net Interest Charges (Enter Total of lines 56 thru 63)		913,577	971,131	
65	Income Before Extraordinary Items (Total of lines 25, 54 and 64)		1,150,842	987,734	
66	Extraordinary Items				
67	Extraordinary Income (434)				
68	(Less) Extraordinary Deductions (435)				
69	Net Extraordinary Items (Enter Total of line 67 less line 68)				
70	Income Taxes-Federal and Other (409.3)	262-263			
71	Extraordinary Items After Taxes (Enter Total of line 69 less line 70)				
72	Net Income (Enter Total of lines 65 and 71)		1,150,842	987,734	

Name of Respondent Northwestern Wisconsin Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
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**STATEMENT OF RETAINED EARNINGS FOR THE YEAR**

- Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year.
- Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
- State the purpose and amount of each reservation or appropriation of retained earnings.
- List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
- Show dividends for each class and series of capital stock.
- Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
- Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
- If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)
	<b>UNAPPROPRIATED RETAINED EARNINGS (Account 216)</b>		
1	Balance-Beginning of Year		2,696,959
2	Changes		
3	Adjustments to Retained Earnings (Account 439)		
4			
5			
6			
7			
8			
9	TOTAL Credits to Retained Earnings (Acct. 439)		
10			
11			
12			
13			
14			
15	TOTAL Debits to Retained Earnings (Acct. 439)		
16	Balance Transferred from Income (Account 433 less Account 418.1)		1,150,842
17	Appropriations of Retained Earnings (Acct. 436)		
18			
19			
20			
21			
22	TOTAL Appropriations of Retained Earnings (Acct. 436)		
23	Dividends Declared-Preferred Stock (Account 437)		
24			
25			
26			
27			
28			
29	TOTAL Dividends Declared-Preferred Stock (Acct. 437)		
30	Dividends Declared-Common Stock (Account 438)		
31	CASH DIVIDENDS PAID		-408,936
32			
33			
34			
35			
36	TOTAL Dividends Declared-Common Stock (Acct. 438)		-408,936
37	Transfers from Acct 216.1, Unapprop. Undistrib. Subsidiary Earnings		
38	Balance - End of Year (Total 1,9,15,16,22,29,36,37)		3,438,865
	<b>APPROPRIATED RETAINED EARNINGS (Account 215)</b>		



Name of Respondent Northwestern Wisconsin Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
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**STATEMENT OF CASH FLOWS**

1. If the notes to the cash flow statement in the respondents annual stockholders report are applicable to this statement, such notes should be included in page 122-123. Information about non-cash investing and financing activities should be provided on Page 122-123. Provide also on pages 122-123 a reconciliation between "Cash and Cash Equivalents at End of Year" with related amounts on the balance sheet.
2. Under "Other" specify significant amounts and group others.
3. Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show on Page 122-123 the amount of interest paid (net of amounts capitalized) and income taxes paid.

Line No.	Description (See Instruction No. 5 for Explanation of Codes) (a)	Amounts (b)
1	Net Cash Flow from Operating Activities:	
2	Net Income	1,150,842
3	Noncash Charges (Credits) to Income:	
4	Depreciation and Depletion	1,786,902
5	Amortization of Deferred Charges	103,517
6		
7		
8	Deferred Income Taxes (Net)	
9	Investment Tax Credit Adjustment (Net)	-15,102
10	Net (Increase) Decrease in Receivables	-190,616
11	Net (Increase) Decrease in Inventory	91,399
12	Net (Increase) Decrease in Allowances Inventory	-296,998
13	Net Increase (Decrease) in Payables and Accrued Expenses	210,859
14	Net (Increase) Decrease in Other Regulatory Assets	
15	Net Increase (Decrease) in Other Regulatory Liabilities	
16	(Less) Allowance for Other Funds Used During Construction	
17	(Less) Undistributed Earnings from Subsidiary Companies	
18	Other (provide details in footnote):	
19	Employee Benefits Accrual Increase, Net	10,222
20	Cooperative Equity - Noncash portion	-669
21	Increase in Deferred Charges - Net	-44,012
22	Net Cash Provided by (Used in) Operating Activities (Total 2 thru 21)	2,806,344
23		
24	Cash Flows from Investment Activities:	
25	Construction and Acquisition of Plant (including land):	
26	Gross Additions to Utility Plant (less nuclear fuel)	-2,726,732
27	Gross Additions to Nuclear Fuel	
28	Gross Additions to Common Utility Plant	
29	Gross Additions to Nonutility Plant	
30	(Less) Allowance for Other Funds Used During Construction	
31	Other (provide details in footnote):	
32	Contributions in Aid to Construction, Net	156,278
33	Salvage	1,839
34	Cash Outflows for Plant (Total of lines 26 thru 33)	-2,568,615
35		
36	Acquisition of Other Noncurrent Assets (d)	
37	Proceeds from Disposal of Noncurrent Assets (d)	
38		
39	Investments in and Advances to Assoc. and Subsidiary Companies	
40	Contributions and Advances from Assoc. and Subsidiary Companies	
41	Disposition of Investments in (and Advances to)	
42	Associated and Subsidiary Companies	
43		
44	Purchase of Investment Securities (a)	
45	Proceeds from Sales of Investment Securities (a)	

Name of Respondent Northwestern Wisconsin Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
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**STATEMENT OF CASH FLOWS**

4. Investing Activities include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed on pages 122-123. Do not include on this statement the dollar amount of Leases capitalized per US of A General Instruction 20; instead provide a reconciliation of the dollar amount of Leases capitalized with the plant cost on pages 122-123.

5. Codes used:

- (a) Net proceeds or payments. (c) Include commercial paper.  
(b) Bonds, debentures and other long-term debt. (d) Identify separately such items as investments, fixed assets, intangibles, etc.

6. Enter on pages 122-123 clarifications and explanations.

Line No.	Description (See Instruction No. 5 for Explanation of Codes) (a)	Amounts (b)
46	Loans Made or Purchased	
47	Collections on Loans	
48		
49	Net (Increase) Decrease in Receivables	
50	Net (Increase ) Decrease in Inventory	
51	Net (Increase) Decrease in Allowances Held for Speculation	
52	Net Increase (Decrease) in Payables and Accrued Expenses	
53	Other (provide details in footnote):	
54		
55		
56	Net Cash Provided by (Used in) Investing Activities	
57	Total of lines 34 thru 55)	-2,568,615
58		
59	Cash Flows from Financing Activities:	
60	Proceeds from Issuance of:	
61	Long-Term Debt (b)	3,500,000
62	Preferred Stock	
63	Common Stock	
64	Other (provide details in footnote):	
65	Customer Deposits	7,996
66	Net Increase in Short-Term Debt (c)	
67	Other (provide details in footnote):	
68		
69		
70	Cash Provided by Outside Sources (Total 61 thru 69)	3,507,996
71		
72	Payments for Retirement of:	
73	Long-term Debt (b)	-500,000
74	Preferred Stock	
75	Common Stock	
76	Other (provide details in footnote):	
77	Long-term Debt Issue Costs	-42,816
78	Net Decrease in Short-Term Debt (c)	-2,688,000
79		
80	Dividends on Preferred Stock	
81	Dividends on Common Stock	-408,936
82	Net Cash Provided by (Used in) Financing Activities	
83	(Total of lines 70 thru 81)	-131,756
84		
85	Net Increase (Decrease) in Cash and Cash Equivalents	
86	(Total of lines 22,57 and 83)	105,973
87		
88	Cash and Cash Equivalents at Beginning of Year	73,059
89		
90	Cash and Cash Equivalents at End of Year	179,032





Name of Respondent Northwestern Wisconsin Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 03/31/2003	Year of Report Dec. 31, 2002
NOTES TO FINANCIAL STATEMENTS			
<p>1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Cash Flows, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.</p> <p>2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.</p> <p>3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and plan of disposition contemplated, giving references to Commission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.</p> <p>4. Where Accounts 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.</p> <p>5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.</p> <p>6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 114-121, such notes may be included herein.</p>			
<p>PAGE 122 INTENTIONALLY LEFT BLANK  SEE PAGE 123 FOR REQUIRED INFORMATION.</p>			



# **NORTHWESTERN WISCONSIN ELECTRIC COMPANY**

## **NOTES TO FINANCIAL STATEMENTS**

December 31, 2002 and 2001

### **(1) BUSINESS SEGMENTS**

For the year ended December 31	<u>Electric Operations</u>	<u>Energy Services</u>	<u>Consolidated Totals</u>
<b>2001:</b>			
Operating revenues	\$ 13,657,707	\$ 184,437	\$ 13,842,144
Operation expenses	(9,692,019)	(151,689)	(9,843,708)
Depreciation and amortization	<u>(1,102,643)</u>	<u>(2,482)</u>	<u>(1,105,125)</u>
Operating income	2,863,045	30,266	2,893,311
Interest expenses	(971,131)	(772)	(971,903)
Other income (expense)	(114,777)	(5,262)	(120,039)
Income tax expense	<u>(789,403)</u>	<u>(10,306)</u>	<u>(799,709)</u>
<b>Net income</b>	<u><u>\$ 987,734</u></u>	<u><u>\$ 13,926</u></u>	<u><u>\$ 1,001,660</u></u>
 Total Assets	 \$ 26,309,053	 \$ 182,094	 \$ 26,491,147
Accumulated Depreciation	\$ 13,400,033	\$ 7,676	\$ 13,407,709
Construction Work in Progress	\$ 1,227,244	\$ -	\$ 1,227,244
Capital Expenditures	\$ 2,445,165	\$ 1,090	\$ 2,446,255
 <b>2002:</b>			
Operating revenues	\$ 14,335,998	\$ 111,921	\$ 14,447,919
Operation expenses	(10,287,092)	(85,488)	(10,372,580)
Depreciation and amortization	<u>(1,634,446)</u>	<u>(2,661)</u>	<u>(1,637,107)</u>
Operating income	2,414,460	23,772	2,438,232
Interest expenses	(910,978)	(4,145)	(915,123)
Other income (expense)	3,995	1,273	5,268
Income tax expense	<u>(356,635)</u>	<u>(8,195)</u>	<u>(364,830)</u>
<b>Net income</b>	<u><u>\$ 1,150,842</u></u>	<u><u>\$ 12,705</u></u>	<u><u>\$ 1,163,547</u></u>
 Total Assets	 \$ 27,633,754	 \$ 139,786	 \$ 27,773,540
Accumulated Depreciation	\$ 13,659,545	\$ 9,650	\$ 13,669,195
Construction Work in Progress	\$ 445,942	\$ -	\$ 445,942
Capital Expenditures	\$ 2,726,732	\$ -	\$ 2,726,732

## **NORTHWESTERN WISCONSIN ELECTRIC COMPANY**

### **NOTES TO FINANCIAL STATEMENTS**

December 31, 2002 and 2001

#### **(2) OPERATION AND SIGNIFICANT ACCOUNTING POLICIES**

**Financial Statement Preparation** – Northwestern Wisconsin Electric Company prepares its financial statements in conformity with generally accepted accounting principles. These principles require management to make informed judgments, best estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses. Actual results could differ from those estimates.

**Principles of consolidation** – The consolidated financial statements include accounts of the Company and its wholly owned subsidiary, Northwestern Energy Services, Inc. All material intercompany balances and transactions have been eliminated in consolidation.

#### **NATURE OF OPERATIONS:**

*Electric operations* – Northwestern Wisconsin Electric Company is a public utility providing electric service to customers in 37 townships and villages of northern Wisconsin and eastern Pine County, Minnesota, headquartered in Grantsburg, Wisconsin. The company is regulated by the Public Service Commission of Wisconsin and the Minnesota Public Utilities Commission, and therefore subject to fixed billing rates except as modified by properly approved rate cases filed before the Commissions. Tariffs of the Company are designed by the Commissions to provide for a return to the Company of all allowable costs, as well as an approved return on stockholders equity.

*Energy services* – Northwestern Energy Services is a wholly owned subsidiary, organized in 1998 to provide energy sales and services in areas not regulated by the Public Service Commission. In 2001, Northwestern Energy Services became a 49% partner in Midwestern Development, LLC (see Note 14).

#### **SIGNIFICANT ACCOUNTING POLICIES:**

This summary of significant accounting policies of the Company is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the Company's management who is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

- (a) Plant assets are stated at cost.

Depreciation has been computed using straight-line rates on the various classes of depreciable property adjusted for the normalization of tax savings resulting from the use of accelerated cost recovery deductions on the Federal income tax returns filed.

## **NORTHWESTERN WISCONSIN ELECTRIC COMPANY**

### **NOTES TO FINANCIAL STATEMENTS**

December 31, 2002 and 2001

#### **(2) OPERATION AND SIGNIFICANT ACCOUNTING POLICIES - Continued**

- (a) It is the general policy of the Company to charge the costs of repairs and minor replacements to the appropriate operating expense and to capitalize the cost of renewals and betterments. The recorded cost of depreciable plant retired, or otherwise disposed of, and the cost of removal, less salvage, is charged to accumulated depreciation.
- (b) Accounts receivable are reported on the balance sheet net of reserves for uncollectible accounts. These reserves are based on managements evaluation of the receivables after bad debt write-offs, and represent approximately 1% of outstanding customer accounts. Service charges are added monthly to accounts over 30 days old, with this income recognized currently. When accounts are deemed uncollectible, they are written off as bad debts at actual value including accrued service charges.
- (c) Unbilled revenues represent the proportionate share of January, 2003 and 2002 billings related to estimated energy supplied during December, 2002 and 2001.
- (d) Inventories of materials and supplies are recorded at average cost and merchandise inventories at cost. Use of inventoried items is recorded on the first in, first out basis.
- (e) Deferred charges include bond issuance expenses which are being amortized over the lives of the issues to which they pertain. The Company's utility operations are also subject to the provisions of SFAS 71, 'Accounting for the Effects of Certain Types of Regulation'. Also included as deferred charges are capitalized costs which are probable of recovery in future rates. (see Note 11)
- (f) Earnings per share of common stock are computed on the basis of the weighted average stock outstanding during the year.
- (g) The Company follows the practice of amortizing Federal investment tax credits over the life of the respective assets.
- (h) The Company follows the accrual basis method of accounting, wherein revenues are recorded when earned and expenditures when incurred.
- (i) The Company considers all investments with maturities of three months or less to be cash equivalents.

# **NORTHWESTERN WISCONSIN ELECTRIC COMPANY**

## **NOTES TO FINANCIAL STATEMENTS**

December 31, 2002 and 2001

### **(2) OPERATION AND SIGNIFICANT ACCOUNTING POLICIES - Continued**

- (i) The Company expenses advertising costs as they are incurred. Advertising expenses for the years ended December 31, 2002 and 2001 were \$30,617 and \$31,412 respectively.

### **(3) DEMAND NOTES PAYABLE**

	<u>12-31-02</u>	<u>12-31-01</u>
Individuals, 4.5% and 5.0%	\$ 2,959,000	\$ 2,597,000
Bank, 4.25% and 4.75%	0	100,000
Bank, 4.25% and 4.25%	0	450,000
Libor Notes, various rates (4.09250 to 3.41000 12-31-01)	0	2,500,000
Bank, 6.25%	0	11,000
	<u>\$ 2,959,000</u>	<u>\$ 5,658,000</u>

Lines of credit totaling \$5,000,000 are available to the Company leaving \$5,000,000 undrawn at December 31, 2002.

### **(4) LONG-TERM DEBT**

Long-term debt consists of First Mortgage Serial Bonds issued under an original trust indenture dated November 1, 1944 and supplemental trust indentures thereafter, as well as an installment loan obligation. This debt is secured by Company plant, receivables, and inventories.

First mortgage bonds:

<u>Series</u>	<u>Int. rate</u>	<u>Issue date</u>	<u>Maturity date</u>	<u>Original Issue</u>	<u>12-31-02</u>	<u>12-31-01</u>
I	7.13%	6-1-94	6-1-2009	\$ 5,000,000	\$ 3,500,000	\$ 4,000,000
J	6.82%	5-1-98	5-1-2013	\$ 4,500,000	4,500,000	4,500,000
K	7.83%	6-20-02	6-1-2017	\$ 3,500,000	3,500,000	0
Current portion					( 500,000)	( 500,000)
					<u>\$11,000,000</u>	<u>\$ 8,000,000</u>

Principle maturities on these issues are as follows:

Series I – June 1, 2000 to June 1, 2009 at \$500,000 per year.  
Series J – May 1, 2004 to May 1, 2013 at \$450,000 per year.  
Series K – June 1, 2008 to June 1, 2017 at \$350,000 per year.

# **NORTHWESTERN WISCONSIN ELECTRIC COMPANY**

## **NOTES TO FINANCIAL STATEMENTS**

December 31, 2002 and 2001

### **(4) LONG-TERM DEBT - Continued**

Installment Loan:	<u>12-31-02</u>	<u>12-31-01</u>
Bank, 6.5% initial rate, variable at prime plus 1.5%.		
12-31-02 rate 5.75%.		
Payable in monthly installments of \$1,130,	\$ 46,790	\$ 56,952
including interest	<u>10,843</u>	<u>10,162</u>
Current portion	<u>\$ 35,947</u>	<u>\$ 46,790</u>

Interest and principle maturities for the next five years on all long-term debt are as follows:

	<u>Interest</u>	<u>Principle</u>	<u>Total</u>
2003	\$ 815,397	\$ 510,843	\$ 1,326,240
2004	763,682	961,563	1,725,245
2005	696,561	962,344	1,658,905
2006	629,394	962,040	1,591,434
2007	562,660	950,000	1,512,660
2008-2012	1,636,062	5,000,000	6,636,062
2013-2017	<u>357,908</u>	<u>2,200,000</u>	<u>2,557,908</u>
TOTALS	<u>\$5,461,664</u>	<u>\$ 11,546,790</u>	<u>\$17,008,454</u>

### **(5) INCOME TAXES**

Income tax provisions for the years 2002 and 2001 were computed as follows:

	<u>2002</u>	<u>2001</u>
Net income	\$ 1,163,547	\$ 1,001,660
Investment tax credits amortized	( 15,102)	( 16,337)
Depreciation adjustments	( 723,261)	152,190
Contributions in Aid of Construction, net	216,683	121,879
Other adjustments	14,159	11,199
Federal income tax	<u>337,952</u>	<u>654,547</u>
Taxable income	<u>\$ 993,978</u>	<u>\$ 1,925,138</u>

# **NORTHWESTERN WISCONSIN ELECTRIC COMPANY**

## **NOTES TO FINANCIAL STATEMENTS**

December 31, 2002 and 2001

### **(5) INCOME TAXES - Continued**

Standard Federal and state income tax rates resulted in income tax liabilities as follows:

Income tax liability	\$ 470,306	\$ 773,822
Allocated to non-operating items	( 6,476)	( 7,085)
Allocated to contributions for construction	( 120,039)	( 63,511)
Amortized taxes	27,633	24,235
Allocated to accrued employee benefits	( 6,594)	( 6,011)
Sale of dams	<u>0</u>	<u>78,259</u>
Income taxes charged to operations	<u>\$ 364,830</u>	<u>\$ 799,709</u>

Income taxes are allocated to Northwestern Energy Services based upon its actual operational income.

### **(6) DEFERRED TAXES**

Corporate taxes are paid on customer contributions in aid to construction in the year the contributions are received. These taxes are then amortized against current operations over the average life of the affected plant accounts.

Deferred tax debits are also recorded to recognize the tax attributes of accrued employee benefit liabilities recognized on the financial statements but not deducted for tax purposes.

	<b><u>CIAC</u></b>	<b><u>Benefits</u></b>	<b><u>Total</u></b>
December 31, 2000	\$ 535,069	\$ 61,040	\$ 596,109
Additions	63,511	6,011	69,522
Amortization	<u>(26,409)</u>	<u>0</u>	<u>(26,409)</u>
December 31, 2001	572,171	67,051	639,222
Additions	120,039	6,594	126,633
Amortization	<u>(30,610)</u>	<u>0</u>	<u>(30,610)</u>
December 31, 2002	<u>\$ 661,600</u>	<u>\$ 73,645</u>	<u>\$ 735,245</u>

Depreciation adjustments between tax methods and book charges result in income tax effects. These income tax effects are recorded as deferred tax credits.



## **NORTHWESTERN WISCONSIN ELECTRIC COMPANY**

### **NOTES TO FINANCIAL STATEMENTS**

December 31, 2002 and 2001

#### **(6) DEFERRED TAXES - Continued**

In 1987, the federal corporation income tax rate change caused necessary adjustments to book/tax depreciation income tax effects for 1981-1986. This rate change adjustment is being amortized over the lives of each plant account.

December 31, 2000	\$ 2,501,855
Additions	(87,646)
Amortization	<u>( 2,978)</u>
December 31, 2001	2,411,231
Additions	376,206
Amortization	<u>( 2,977)</u>
December 31, 2002	<u>\$ 2,784,460</u>

The net effect of all deferred tax entries, at December 31, 2002 and 2001 was \$2,049,215 and \$1,772,009. The portion attributable to energy services was \$6,132 at December 31, 2002 and \$5,779 at December 31, 2001.

#### **(7) OPERATING RATIOS – UTILITY OPERATIONS**

The ratio of operating earnings to average investment in net utility plant and materials inventory was 8.56% for 2002 and 8.65% for 2001. The net earnings represent a return on average stockholders' equity of 12.42% and 11.48% for the years 2002 and 2001 respectively. On July 10, 1997, the Public Service Commission of Wisconsin granted to company authority to raise its electric rates an average of 7.3% effective for sales after that date. Included in that rate change were authorized rates of return at 10.97% on average investment and 13.75% on average equity. On June 28, 2001, the Public Service Commission granted the Company authority to raise its electric rates an average of 2.99% effective for sales after that date. Included in that rate order were authorized rates of return at 10.05% on average investment and 12.75% on average equity.

#### **(8) PENSION PLANS**

The Company maintains a non-contributory defined benefit pension plan which covers all full-time employees of eligible age. Annual contributions are determined by actuarial valuations prepared by an independent consultant, and are based upon a frozen entry age normal funding method. Required contributions for 2002 and 2001 were \$194,673 and \$188,350. All contributions are paid to and invested by the Travelers Insurance Company. At December 31, 2002, the current value of plan assets was \$3,290,719 while the projected benefit obligation was \$3,438,327; this deficit of (\$147,608) is reduced by unrecognized transition amount of \$139,748, unrecognized prior services cost of \$113,120 and unrecognized loss of \$104,843 to leave an unrecorded prepaid pension cost of \$210,103.

## **NORTHWESTERN WISCONSIN ELECTRIC COMPANY**

### **NOTES TO FINANCIAL STATEMENTS**

December 31, 2002 and 2001

#### **(8) PENSION PLANS - Continued**

Relevant factors used in determining the projected benefit obligation are discount rate at 7.50%, expense loading at 5.0%, and retirement age at 65. Annual wage increases are projected at 5.5%, and the long-term rate of return is estimated at 7.50%. Benefits to retirees are calculated at 1.5% of the employees average monthly earnings at the determination date, multiplied by years of service since May 1, 1973. All benefits are funded through allocated insurance contracts, leaving no liability to the plan once a retiree is annuitized.

Valuation of the defined benefit plan by the terms of FASB 87 results in net periodic pension costs for the year 2002 and 2001 that differ from the actuarially computed contributions. For those years, service cost of \$145,298 and \$150,161, interest cost of \$230,895 and \$209,008, return on assets of (\$174,776) and (\$245,032), and net amortization and deferral of (\$42,433) and \$54,063 result in net periodic pension costs of \$158,984 and \$168,200. The projected benefit obligation was \$3,438,327 and \$3,086,427 at December 31, 2002 and 2001, while the fair value of plan assets was \$3,290,719 and \$2,966,303. While the projected benefit obligation does exceed the fair value of plan assets, that fair value does exceed the accumulated benefit obligation as well as the vested benefit obligation.

The Company also maintains a defined contribution 401K pension plan. Employee contributions to this plan are partially matched by company contributions. Beginning July 1, 1999, for each dollar of employee contribution up to a maximum of 5% of employee payroll, the Company adds 2% to the contribution. The Company's exposure is a maximum of .1% of employee payroll. This plan is available to all full time company employees. Contributions are all deposited with an outside plan trustee, who is responsible for all investing, payment of proceeds, and reporting. Contributions to the 401K plan by the company for 2002 and 2001 were \$19,794 and \$20,325.

#### **(9) EQUITY RESTRICTIONS**

The Company's trust indenture supplement dated June 1, 2002 places restrictions on stockholders equity. Common Stock equity plus retained earnings is not to fall below a level of \$8,000,000; and dividends paid from and after December 31, 2000 shall not exceed 75% of cumulative net income after that date. No violations of these restrictions have occurred.

## **NORTHWESTERN WISCONSIN ELECTRIC COMPANY**

### **NOTES TO FINANCIAL STATEMENTS**

December 31, 2002 and 2001

#### **(10) CONTINGENCY**

The Company discovered petroleum contamination at both the Frederic and Grantsburg generation sites in 1992. Engineering studies resulted in project cost estimates of \$256,150 - \$360,775 for the Frederic site and \$97,050 - \$129,950 for the Grantsburg site, and continuing costs to monitor thereafter.

Actual costs incurred through December 31, 2002 have totaled \$725,027. These costs, net of amortization are being carried as deferred charges on the balance sheet. Amortization of these costs against operations for 2002 and 2001 were \$11,969 and \$86,084; accumulated amortization at December 31, 2002 was \$689,121. Amortization of these costs are guided by Public Service Commission directive, which allowed \$140,000 per year until June 28, 2001. The new rate case effective June 28, 2001 authorized amortization of the remaining costs over a four year period. Both of these sites have received closure approval from the Wisconsin Department of Natural Resources.

In 1999, the Company discovered petroleum contamination at the Danbury generation site. Engineering studies have resulted in project cost estimates of \$69,500 to \$111,000, and continuing costs to monitor thereafter. Remediation costs of \$81,643 have been incurred through December 31, 2002; all of these costs are being carried as deferred charges on the balance sheet. Amortization began June 28, 2001, over a four year time period, and totaled \$19,449 for 2002 and \$5,138 for 2001.

In 2001, the Company was assessed a one time charge to assist in the cleanup of a site where Company transformers have been shipped for disposal. This payment of \$44,106 is being carried as a deferred charge and is being amortized over a four year period. Amortization charged in 2002 totaled \$11,027.

#### **(11) REGULATORY MATTERS**

Provisions of SFAS 106 have caused the Company to quantify its post retirement benefits other than pensions. The Company maintained only one plan, a supplemental health insurance benefit plan, which was cancelled April 1, 1993. At December 31, 2002, the present value of the post retirement benefits expected to be paid was \$19,047, and at December 31, 2001 \$19,847. This amount is recorded as a liability under 'employee benefits' and the offsetting entry is to 'regulatory asset'. This 'regulatory asset' represents expenses which the Company will be allowed to recover in future revenue rates.

## **NORTHWESTERN WISCONSIN ELECTRIC COMPANY**

### **NOTES TO FINANCIAL STATEMENTS**

December 31, 2002 and 2001

#### **(11) REGULATORY MATTERS – Continued**

The Company capitalizes as deferred charges costs which have been incurred which are probable of recovery in future utility rates. A detail of deferred charges follows:

	<u>2002</u>	<u>2001</u>
Oil contamination cleanup	\$ 126,042	\$ 146,103
Demand side management	34,397	48,155
Preliminary survey costs	2,207	9,080
Storm damage costs	<u>161,177</u>	<u>139,697</u>
	<u>\$ 323,823</u>	<u>\$ 343,035</u>

Also included in deferred charges are unamortized debt issuance expenses of \$117,859 and \$91,725 in 2002 and 2001.

#### **(12) CREDIT RISKS**

At December 31, 2002, 10.44% of the Company's trade receivables were aged over 90 days. At December 31, 2001, 11.21%.

Also, at December 31, 2002 the Company had deposits of \$391,876 in one bank. With FDIC insurance at \$100,000, this leaves \$291,876 uninsured. At December 31, 2001 the deposits with this bank totaled \$372,195, leaving \$272,195 uninsured.

#### **(13) NORTHWESTERN ENERGY SERVICES**

In 1998 the Company purchased 100% of the outstanding stock of a newly formed energy services company, Northwestern Energy Services. This new organization provides non-regulated energy sales and services. The cost of this acquisition was \$10,000.

During 2001, Northwestern Energy Services became a 49% partner in Midwestern Development, LLC. The net cost of this investment through December 31, 2002 was \$13,348. Midwestern Development, LLC is involved in pursuing development of low-income housing developments. (See Note 14)

## **NORTHWESTERN WISCONSIN ELECTRIC COMPANY**

### **NOTES TO FINANCIAL STATEMENTS**

December 31, 2002 and 2001

#### **(14) MIDWESTERN DEVELOPMENT, LLC**

As noted in Note 13 above, Northwestern Energy Services has become a 49% partner in Midwestern Development, LLC. During 2001, MWD, LLC located a viable low income housing location in Cumberland, Wisconsin.

A partnership called Garden View Townhomes, LLC has been formed to procure property, develop, and operate this housing project. MWD, LLC is the general partner in Garden View Townhomes, LLC; a limited partner also exists as investor and 99.9% owner.

Midwestern Development, LLC has secured a \$100,000 bank line of credit to help finance this project. Presently, the line of credit is unsecured. At December 31, 2002, \$90,791 of this line of credit was drawn and outstanding.

Since Northwestern Energy Services owns a non-controlling 49% interest in Midwestern Development, LLC, only the \$13,348 net cost of its investment in MWD, LLC has been presented on the consolidated balance sheet. A summary balance sheet for MWD, LLC follows:

Cash	\$ 16,423
Accounts receivable	20,428
Due from partners	0
Garden View Townhomes	91,439
Line of Credit and accrued interest	(91,004)
Accounts payable	(17,827)
Partner capital – outside	(9,924)
Partner capital – NES	(9,535)

## **NORTHWESTERN WISCONSIN ELECTRIC COMPANY**

### **NOTES TO FINANCIAL STATEMENTS**

December 31, 2002 and 2001

#### **(15) SALE OF DAMS**

In April, 2001, the Company closed on the sale of its hydraulic generation facilities. The Sale price was \$1,755,204; this amount, after consideration of closing costs and undepreciated plant cost, resulted in a loss to the company of \$199,568. Corporate income tax allocations to this loss total \$78,259.

#### **(16) NOTE RECEIVABLE**

Northwestern Energy Services sold a generator during 2001 on a long term contract. The sale price was \$66,700, with 10% down payment received. Terms of the contract call for monthly payments, including interest at 11.5%, of \$1,320.22. Future collections of principle and interest will be as follows.

12-31-02	\$ 9,516	\$ 6,327
12-31-03	10,670	5,173
12-31-04	11,964	3,879
12-31-05	13,414	2,428
12-31-06	<u>13,721</u>	<u>801</u>
	<u>\$ 59,285</u>	<u>\$ 18,608</u>

#### **(17) SUPPLEMENTAL CASH FLOWS DISCLOSURES**

Cash payments of income taxes and interest during the year ended December 31, 2002 totaled \$800,699 and \$890,346; for the year ended December 31, 2001 these totals were \$566,185 and \$978,381.

## **SUPPLEMENTAL INFORMATION**





**NORTHWESTERN WISCONSIN ELECTRIC COMPANY**  
**SCHEDULE OF OPERATION AND MAINTENANCE EXPENSES**

For the years ending December 31, 2002 and 2001

	<u>2002</u>	<u>2001</u>
<b>OPERATION</b>		
Electric generation -		
Hydraulic	\$ 9	\$ 30,486
Internal combustion	108,685	192,059
System control	9,877	15,870
Transmission	49,620	33,962
Distribution	755,899	665,310
Commercial	483,885	452,834
Customer service	72,074	69,852
 General expenses -		
Salaries	245,490	225,872
General office expense	25,298	19,937
Special services	39,710	25,503
Insurance	290,538	235,422
Employee welfare expense	313,060	180,034
Pension plans	139,623	140,112
Regulatory commission expense	1,868	27,777
Miscellaneous	31,653	25,773
Expense capitalized	(98,319)	(110,690)
 Northwestern Energy Services	<u>85,488</u>	<u>151,689</u>
	<u>\$ 2,554,458</u>	<u>\$ 2,381,802</u>
 <b>MAINTENANCE</b>		
Electric generation -		
Hydraulic	\$ -	\$ 2,447
Internal combustion	37,383	38,951
Transmission	58,493	27,517
Distribution	513,657	375,221
General property	3,950	5,437
 Northwestern Energy Services	<u>-</u>	<u>-</u>
	<u>\$ 613,483</u>	<u>\$ 449,573</u>

See notes to financial statements



Name of Respondent Northwestern Wisconsin Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION				
Line No.	Classification (a)	Total (b)	Electric (c)	
1	Utility Plant			
2	In Service			
3	Plant in Service (Classified)	37,149,165	37,149,165	
4	Property Under Capital Leases			
5	Plant Purchased or Sold			
6	Completed Construction not Classified			
7	Experimental Plant Unclassified			
8	Total (3 thru 7)	37,149,165	37,149,165	
9	Leased to Others			
10	Held for Future Use			
11	Construction Work in Progress	406,401	406,401	
12	Acquisition Adjustments			
13	Total Utility Plant (8 thru 12)	37,555,566	37,555,566	
14	Accum Prov for Depr, Amort, & Depl	13,620,004	13,620,004	
15	Net Utility Plant (13 less 14)	23,935,562	23,935,562	
16	Detail of Accum Prov for Depr, Amort & Depl			
17	In Service:			
18	Depreciation	13,613,254	13,613,254	
19	Amort & Depl of Producing Nat Gas Land/Land Right			
20	Amort of Underground Storage Land/Land Rights			
21	Amort of Other Utility Plant	6,750	6,750	
22	Total In Service (18 thru 21)	13,620,004	13,620,004	
23	Leased to Others			
24	Depreciation			
25	Amortization and Depletion			
26	Total Leased to Others (24 & 25)			
27	Held for Future Use			
28	Depreciation			
29	Amortization			
30	Total Held for Future Use (28 & 29)			
31	Abandonment of Leases (Natural Gas)			
32	Amort of Plant Acquisition Adj			
33	Total Accum Prov (equals 14) (22,26,30,31,32)	13,620,004	13,620,004	

Name of Respondent Northwestern Wisconsin Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
<b>ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106)</b>					
<p>1. Report below the original cost of electric plant in service according to the prescribed accounts.</p> <p>2. In addition to Account 101, Electric Plant in Service (Classified), this page and the next include Account 102, Electric Plant Purchased or Sold; Account 103, Experimental Electric Plant Unclassified; and Account 106, Completed Construction Not Classified-Electric.</p> <p>3. Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.</p> <p>4. Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.</p> <p>5. Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d) reversals of tentative distributions of prior year of unclassified retirements. Show in a footnote the account distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior years tentative account distributions of these amounts. Careful observance of the above</p>					
Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)		
1	1. INTANGIBLE PLANT				
2	(301) Organization				
3	(302) Franchises and Consents	15,000			
4	(303) Miscellaneous Intangible Plant				
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	15,000			
6	2. PRODUCTION PLANT				
7	A. Steam Production Plant				
8	(310) Land and Land Rights				
9	(311) Structures and Improvements				
10	(312) Boiler Plant Equipment				
11	(313) Engines and Engine-Driven Generators				
12	(314) Turbogenerator Units				
13	(315) Accessory Electric Equipment				
14	(316) Misc. Power Plant Equipment				
15	TOTAL Steam Production Plant (Enter Total of lines 8 thru 14)				
16	B. Nuclear Production Plant				
17	(320) Land and Land Rights				
18	(321) Structures and Improvements				
19	(322) Reactor Plant Equipment				
20	(323) Turbogenerator Units				
21	(324) Accessory Electric Equipment				
22	(325) Misc. Power Plant Equipment				
23	TOTAL Nuclear Production Plant (Enter Total of lines 17 thru 22)				
24	C. Hydraulic Production Plant				
25	(330) Land and Land Rights	37,992			
26	(331) Structures and Improvements				
27	(332) Reservoirs, Dams, and Waterways				
28	(333) Water Wheels, Turbines, and Generators				
29	(334) Accessory Electric Equipment				
30	(335) Misc. Power Plant Equipment				
31	(336) Roads, Railroads, and Bridges				
32	TOTAL Hydraulic Production Plant (Enter Total of lines 25 thru 31)	37,992			
33	D. Other Production Plant				
34	(340) Land and Land Rights	41,480			
35	(341) Structures and Improvements	371,566			
36	(342) Fuel Holders, Products, and Accessories	439,886			
37	(343) Prime Movers	2,534,338	889,730		
38	(344) Generators	820,891	22,160		
39	(345) Accessory Electric Equipment	366,117	17,901		

Name of Respondent Northwestern Wisconsin Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
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**ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)**

instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.

6. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.

7. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirement of these pages.

8. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchase, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date of such filing.

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
				1
				2
			15,000	3
				4
			15,000	5
				6
				7
				8
				9
				10
				11
				12
				13
				14
				15
				16
				17
				18
				19
				20
				21
				22
				23
				24
			37,992	25
				26
				27
				28
				29
				30
				31
			37,992	32
				33
			41,480	34
			371,566	35
			439,886	36
400,000		82,179	3,106,247	37
19,546		-82,179	741,326	38
			384,018	39

Name of Respondent Northwestern Wisconsin Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)					
Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)		
40	(346) Misc. Power Plant Equipment	35,796			
41	TOTAL Other Prod. Plant (Enter Total of lines 34 thru 40)	4,610,074	929,791		
42	TOTAL Prod. Plant (Enter Total of lines 15, 23, 32, and 41)	4,648,066	929,791		
43	3. TRANSMISSION PLANT				
44	(350) Land and Land Rights	319,364	1,535		
45	(352) Structures and Improvements	69,685			
46	(353) Station Equipment	2,642,492	37,457		
47	(354) Towers and Fixtures				
48	(355) Poles and Fixtures	1,962,846	203,806		
49	(356) Overhead Conductors and Devices	2,323,332	188,312		
50	(357) Underground Conduit	162,305			
51	(358) Underground Conductors and Devices	277,627			
52	(359) Roads and Trails	7,847			
53	TOTAL Transmission Plant (Enter Total of lines 44 thru 52)	7,765,498	431,110		
54	4. DISTRIBUTION PLANT				
55	(360) Land and Land Rights	136,060			
56	(361) Structures and Improvements	421,052	24,825		
57	(362) Station Equipment	977,235	82,322		
58	(363) Storage Battery Equipment				
59	(364) Poles, Towers, and Fixtures	3,175,267	308,720		
60	(365) Overhead Conductors and Devices	4,023,160	400,737		
61	(366) Underground Conduit				
62	(367) Underground Conductors and Devices	4,041,535	359,927		
63	(368) Line Transformers	2,854,376	232,471		
64	(369) Services	2,695,442	229,488		
65	(370) Meters	912,560	40,834		
66	(371) Installations on Customer Premises				
67	(372) Leased Property on Customer Premises				
68	(373) Street Lighting and Signal Systems	524,325	35,403		
69	TOTAL Distribution Plant (Enter Total of lines 55 thru 68)	19,761,012	1,714,727		
70	5. GENERAL PLANT				
71	(389) Land and Land Rights	21,984			
72	(390) Structures and Improvements	436,693	700		
73	(391) Office Furniture and Equipment	201,377	2,569		
74	(392) Transportation Equipment	471,750	83,370		
75	(393) Stores Equipment	134			
76	(394) Tools, Shop and Garage Equipment	203,112	16,201		
77	(395) Laboratory Equipment	79,499	3,405		
78	(396) Power Operated Equipment	1,389,052	178,838		
79	(397) Communication Equipment	87,534	341		
80	(398) Miscellaneous Equipment				
81	SUBTOTAL (Enter Total of lines 71 thru 80)	2,891,135	285,424		
82	(399) Other Tangible Property				
83	TOTAL General Plant (Enter Total of lines 81 and 82)	2,891,135	285,424		
84	TOTAL (Accounts 101 and 106)	35,080,711	3,361,052		
85	(102) Electric Plant Purchased (See Instr. 8)				
86	(Less) (102) Electric Plant Sold (See Instr. 8)				
87	(103) Experimental Plant Unclassified				
88	TOTAL Electric Plant in Service (Enter Total of lines 84 thru 87)	35,080,711	3,361,052		

Name of Respondent Northwestern Wisconsin Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
			35,796		40
419,546			5,120,319		41
419,546			5,158,311		42
					43
			320,899		44
			69,685		45
3,126			2,676,823		46
					47
25,243	-20,471		2,120,938		48
26,163	-38,179		2,447,302		49
			162,305		50
			277,627		51
			7,847		52
54,532	-58,650		8,083,426		53
					54
			136,060		55
			445,877		56
38,295			1,021,262		57
					58
50,142	-13,585		3,420,260		59
64,888	-21,197		4,337,812		60
					61
39,049	-150,789		4,211,624		62
64,267			3,022,580		63
23,104	-38,600		2,863,226		64
7,334			946,060		65
					66
					67
7,389	-382		551,957		68
294,468	-224,553		20,956,718		69
					70
			21,984		71
127			437,266		72
			203,946		73
61,235			493,885		74
			134		75
9,793			209,520		76
475			82,429		77
169,219			1,398,671		78
			87,875		79
					80
240,849			2,935,710		81
					82
240,849			2,935,710		83
1,009,395	-283,203		37,149,165		84
					85
					86
					87
1,009,395	-283,203		37,149,165		88





Name of Respondent Northwestern Wisconsin Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
CONSTRUCTION WORK IN PROGRESS - - ELECTRIC (Account 107)				
1. Report below descriptions and balances at end of year of projects in process of construction (107) 2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts) 3. Minor projects (5% of the Balance End of the Year for Account 107 or \$100,000, whichever is less) may be grouped.				
Line No.	Description of Project (a)	Construction work in progress - Electric (Account 107) (b)		
1	GRANTSBURG SUBSTATION CONTROL HOUSE	45,233		
2	REBUILD "G" TRANSMISSION LINE	33,621		
3	COOLING TOWER - FREDERIC UNIT #5	22,893		
4	REWIND LAKE 26 TRANSFORMER	96,628		
5	REBUILD SIREN 12KV SUBSTATION	93,228		
6	HAND-HELD METERING SYSTEM	17,508		
7	GRANTSBURG WAREHOUSE FIRE	31,624		
8	2003 FORD F450 - FLEET #218	28,487		
9	MINOR PROJECTS	37,179		
10				
11				
12				
13				
14				
15				
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42				
43	TOTAL	406,401		



Name of Respondent Northwestern Wisconsin Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/03	Year of Report Dec. 31, 2002
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**CONSTRUCTION OVERHEADS - ELECTRIC**

1. List in column (a) to kinds of overheads according to the titles used by the respondent. Charges for outside professional services for engineering fees and management or supervision fees capitalized should be shown as separate items. 2. On Page 218 furnish information concerning construction overheads. 3. A respondent should not report "none" to the page if no overhead apportionments are made, but rather should explain on Page 218 the accounting procedures, employed and the amounts of engineering, supervision and administrative costs, etc. which are directly charged to construction. 4. Enter on this page engineering, supervision, administrative, and allowance for funds used during construction, etc., which are first assigned to a blanket work order and then prorated to construction jobs.

Line No.	Description of overhead (a)	Total amount charged for the year (b)
1	COMPANY LABOR	718,383
2	COMPANY MATERIALS	633,606
3	CONTRACTOR PAYMENTS	940,778
4	OTHER - TRANSPORTATION	155,900
5	GENERAL & ADMINISTRATIVE CHARGES	98,319
6	TAXES & OTHER	157,792
7		
8		
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45		
46	TOTAL	2,704,778



Name of Respondent Northwestern Wisconsin Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/31/2003		Year of Report Dec. 31, <u>2002</u>	
<b>ACCUMULATED PROVISION FOR DEPRECIATION OF ELECTRIC UTILITY PLANT (Account 108)</b>							
<p>1. Explain in a footnote any important adjustments during year.</p> <p>2. Explain in a footnote any difference between the amount for book cost of plant retired, Line 11, column (c), and that reported for electric plant in service, pages 204-207, column 9d), excluding retirements of non-depreciable property.</p> <p>3. The provisions of Account 108 in the Uniform System of accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.</p> <p>4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.</p>							
<b>Section A. Balances and Changes During Year</b>							
Line No.	Item (a)	Total (c+d+e) (b)	Electric Plant in Service (c)	Electric Plant Held for Future Use (d)	Electric Plant Leased to Others (e)		
1	Balance Beginning of Year	13,214,346	13,214,346				
2	Depreciation Provisions for Year, Charged to						
3	(403) Depreciation Expense	1,263,778	1,263,778				
4	(413) Exp. of Elec. Plt. Leas. to Others						
5	Transportation Expenses-Clearing	155,456	155,456				
6	Other Clearing Accounts						
7	Other Accounts (Specify, details in footnote):						
8							
9	TOTAL Deprec. Prov for Year (Enter Total of lines 3 thru 8)	1,419,234	1,419,234				
10	Net Charges for Plant Retired:						
11	Book Cost of Plant Retired	1,050,042	1,050,042				
12	Cost of Removal	6,528	6,528				
13	Salvage (Credit)	44,429	44,429				
14	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 11 thru 13)	1,012,141	1,012,141				
15	Other Debit or Cr. Items (Describe, details in footnote):						
16	Adj on Customer Advance for Constructi	-8,185	-8,185				
17	Balance End of Year (Enter Totals of lines 1, 9, 14, 15, and 16)	13,613,254	13,613,254				
<b>Section B. Balances at End of Year According to Functional Classification</b>							
18	Steam Production						
19	Nuclear Production						
20	Hydraulic Production-Conventional						
21	Hydraulic Production-Pumped Storage						
22	Other Production	2,528,240	2,528,240				
23	Transmission	2,359,646	2,359,646				
24	Distribution	7,281,154	7,281,154				
25	General	1,444,214	1,444,214				
26	TOTAL (Enter Total of lines 18 thru 25)	13,613,254	13,613,254				

Name of Respondent Northwestern Wisconsin Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
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**INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1)**

1. Report below investments in Accounts 123.1, investments in Subsidiary Companies.
2. Provide a subheading for each company and List there under the information called for below. Sub - TOTAL by company and give a TOTAL in columns (e), (f), (g) and (h)
  - (a) Investment in Securities - List and describe each security owned. For bonds give also principal amount, date of issue, maturity and interest rate.
  - (b) Investment Advances - Report separately the amounts of loans or investment advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal.
3. Report separately the equity in undistributed subsidiary earnings since acquisition. The TOTAL in column (e) should equal the amount entered for Account 418.1.

Line No.	Description of Investment (a)	Date Acquired (b)	Date Of Maturity (c)	Amount of Investment at Beginning of Year (d)
1	100 SHARES COMMON STOCK - NORTHWESTERN ENERGY SERVICES, INC.	01/28/98	NA	10,000
2				
3				
4				
5				
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41				
42	Total Cost of Account 123.1 \$	0	TOTAL	10,000

Name of Respondent Northwestern Wisconsin Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
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**INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1) (Continued)**

4. For any securities, notes, or accounts that were pledged designate such securities, notes, or accounts in a footnote, and state the name of pledgee and purpose of the pledge.
5. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number.
6. Report column (f) interest and dividend revenues from investments, including such revenues from securities disposed of during the year.
7. In column (h) report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if difference from cost) and the selling price thereof, not including interest adjustment includible in column (f).
8. Report on Line 42, column (a) the TOTAL cost of Account 123.1

Equity in Subsidiary Earnings of Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (g)	Gain or Loss from Investment Disposed of (h)	Line No.
		10,000		1
				2
				3
				4
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				9
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		10,000		42





Name of Respondent Northwestern Wisconsin Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
<b>MATERIALS AND SUPPLIES</b>					
<p>1. For Account 154, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates of amounts by function are acceptable. In column (d), designate the department or departments which use the class of material.</p> <p>2. Give an explanation of important inventory adjustments during the year (in a footnote) showing general classes of material and supplies and the various accounts (operating expenses, clearing accounts, plant, etc.) affected debited or credited. Show separately debit or credits to stores expense clearing, if applicable.</p>					
Line No.	Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Department or Departments which Use Material (d)	
1	Fuel Stock (Account 151)	42,980	33,384		
2	Fuel Stock Expenses Undistributed (Account 152)				
3	Residuals and Extracted Products (Account 153)				
4	Plant Materials and Operating Supplies (Account 154)				
5	Assigned to - Construction (Estimated)	495,619	513,288		
6	Assigned to - Operations and Maintenance				
7	Production Plant (Estimated)	104,000	10,000		
8	Transmission Plant (Estimated)	7,000	5,000		
9	Distribution Plant (Estimated)	19,000	14,000		
10	Assigned to - Other (provide details in footnote)				
11	TOTAL Account 154 (Enter Total of lines 5 thru 10)	625,619	542,288		
12	Merchandise (Account 155)	9,009	10,538		
13	Other Materials and Supplies (Account 156)				
14	Nuclear Materials Held for Sale (Account 157) (Not applic to Gas Util)				
15	Stores Expense Undistributed (Account 163)				
16					
17					
18					
19					
20	TOTAL Materials and Supplies (Per Balance Sheet)	677,608	586,210		



Name of Respondent Northwestern Wisconsin Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
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**MISCELLANEOUS DEFERRED DEBITS (Account 186)**

1. Report below the particulars (details) called for concerning miscellaneous deferred debits.
2. For any deferred debit being amortized, show period of amortization in column (a)
3. Minor item (1% of the Balance at End of Year for Account 186 or amounts less than \$50,000, whichever is less) may be grouped by classes.

Line No.	Description of Miscellaneous Deferred Debits (a)	Balance at Beginning of Year (b)	Debits (c)	CREDITS		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1	OIL SPILL REMEDIATION	146,103	22,383	549	42,444	126,042
2						
3	DEMAND SIDE MANAGEMENT	48,156	53,947	910	67,706	34,397
4						
5	POST EMPLOYMENT BENEFITS	19,847		242	800	19,047
6						
7	BALSAM LAKE STORM DAMAGE	88,943				88,943
8						
9	SIREN TORNADO DAMAGE	50,753	21,481			72,234
10						
11						
12						
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44						
45						
46						
47	Misc. Work in Progress					
48	Deferred Regulatory Comm. Expenses (See pages 350 - 351)					
49	TOTAL	353,802				340,663

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**CAPITAL STOCKS (Account 201 and 204)**

1. Report below the particulars (details) called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. If information to meet the stock exchange reporting requirement outlined in column (a) is available from the SEC 10-K Report Form filing, a specific reference to report form (i.e., year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.
2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.

Line No.	Class and Series of Stock and Name of Stock Series (a)	Number of shares Authorized by Charter (b)	Par or Stated Value per share (c)	Call Price at End of Year (d)
1	COMMON STOCK	80,000	100.00	
2				
3	TOTAL_COM	80,000		
4				
5				
6	PREFERRED STOCK	30,000	100.00	
7				
8	TOTAL_PRE	30,000		
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Name of Respondent Northwestern Wisconsin Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
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**CAPITAL STOCKS (Account 201 and 204) (Continued)**

3. Give particulars (details) concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.
4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or non-cumulative.
5. State in a footnote if any capital stock which has been nominally issued is nominally outstanding at end of year.
- Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purposes of pledge.

OUTSTANDING PER BALANCE SHEET (Total amount outstanding without reduction for amounts held by respondent)		HELD BY RESPONDENT				Line No.
		AS REACQUIRED STOCK (Account 217)		IN SINKING AND OTHER FUNDS		
Shares (e)	Amount (f)	Shares (g)	Cost (h)	Shares (i)	Amount (j)	
61,960	6,196,000					1
						2
61,960	6,196,000					3
						4
						5
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Name of Respondent Northwestern Wisconsin Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
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**LONG-TERM DEBT (Account 221, 222, 223 and 224)**

1. Report by balance sheet account the particulars (details) concerning long-term debt included in Accounts 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other long-Term Debt.
2. In column (a), for new issues, give Commission authorization numbers and dates.
3. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.
4. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.
5. For receivers, certificates, show in column (a) the name of the court -and date of court order under which such certificates were issued.
6. In column (b) show the principal amount of bonds or other long-term debt originally issued.
7. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.
8. For column (c) the total expenses should be listed first for each issuance, then the amount of premium (in parentheses) or discount. Indicate the premium or discount with a notation, such as (P) or (D). The expenses, premium or discount should not be netted.
9. Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.

Line No.	Class and Series of Obligation, Coupon Rate (For new issue, give commission Authorization numbers and dates) (a)	Principal Amount Of Debt issued (b)	Total expense, Premium or Discount (c)
1	First Mortgage Sinking Fund Bonds,		
2	Series "I", (7.13%)		
3	Modern Woodmen of America		
4	1701 First Avenue		
5	Rock Island, IL 61201	5,000,000	60,325
6			
7	First Mortgage Sinking Fund Bonds		
8	Series "J", (6.82%)		
9	Modern Woodmen of America		
10	1701 First Avenue		
11	Rock Island, IL 61201	4,500,000	73,814
12			
13	First Mortgage Sinking Fund Bonds		
14	Series "K", (7.83%)		
15	Modern Woodmen of America		
16	1701 First Avenue		
17	Rock Island, IL 61201		
18	WI PSC Docket No. 4160-SB-121 dated 5/13/02	3,500,000	48,881
19			
20			
21			
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31			
32			
33	TOTAL	13,000,000	183,020

Name of Respondent Northwestern Wisconsin Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
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**LONG-TERM DEBT (Account 221, 222, 223 and 224) (Continued)**

10. Identify separate undisposed amounts applicable to issues which were redeemed in prior years.
11. Explain any debits and credits other than debited to Account 428, Amortization and Expense, or credited to Account 429, Premium on Debt - Credit.
12. In a footnote, give explanatory (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principle repaid during year. Give Commission authorization numbers and dates.
13. If the respondent has pledged any of its long-term debt securities give particulars (details) in a footnote including name of pledgee and purpose of the pledge.
14. If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
15. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (i). Explain in a footnote any difference between the total of column (i) and the total of Account 427, interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.
16. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.

Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
		Date From (f)	Date To (g)			
						1
						2
						3
						4
060194	060109	060194	060109	3,500,000	264,404	5
						6
						7
						8
						9
						10
050198	050113	050198	050113	4,500,000	306,900	11
						12
						13
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						16
						17
060102	060117	060102	060117	3,500,000	145,399	18
						19
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				11,500,000	716,703	33





Name of Respondent Northwestern Wisconsin Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
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**RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES**

1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.
2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group member, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.
3. A substitute page, designed to meet a particular need of a company, may be used as long as the data is consistent and meets the requirements of the above instructions. For electronic reporting purposes complete Line 27 and provide the substitute Page in the context of a footnote.

Line No.	Particulars (Details) (a)	Amount (b)
1	Net Income for the Year (Page 117)	1,150,842
2		
3		
4	Taxable Income Not Reported on Books	
5	CIAC, Net of Tax	216,683
6		
7		
8		
9	Deductions Recorded on Books Not Deducted for Return	
10	Federal Taxes	331,690
11	Vacation Accrual	10,223
12	Non-Deductible Items	4,722
13	Change in Bad Debt Allowance	1,700
14	Income Recorded on Books Not Included in Return	
15	ITC Amortization	-15,102
16		
17		
18		
19	Deductions on Return Not Charged Against Book Income	
20	Depreciation	-722,359
21	Amortization	-2,977
22	State Tax Correction	137
23		
24		
25		
26		
27	Federal Tax Net Income	975,559
28	Show Computation of Tax:	
29	\$975,559 x 34% = \$331,690	
30		
31		
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Name of Respondent Northwestern Wisconsin Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
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**TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR**

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual, or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes.) Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

Line No.	Kind of Tax (See instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)			
1	LICENSE FEE		316,823	326,003	367,784	
2						
3	REAL ESTATE - MN			25,484	25,484	
4						
5	REAL ESTATE - WI			477	477	
6						
7	PAYROLL TAXES			188,662	188,662	
8						
9	PSC			15,362	15,362	
10						
11	FEDERAL INCOME	125,030		331,690	682,280	
12						
13	STATE INCOME	-8,398		130,284	118,419	-543
14						
15						
16						
17						
18						
19						
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41	TOTAL	116,632	316,823	1,017,962	1,398,468	-543

Name of Respondent Northwestern Wisconsin Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
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**TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)**

5. If any tax (exclude Federal and State income taxes)- covers more then one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot- note. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Report in columns (i) through (l) how the taxes were distributed. Report in column (i) only the amounts charged to Accounts 408.1 and 409.1 pertaining to electric operations. Report in column (l) the amounts charged to Accounts 408.1 and 109.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409.2. Also shown in column (l) the taxes charged to utility plant or other balance sheet accounts.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
(Taxes accrued Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (j)	Adjustments to Ret. Earnings (Account 439) (k)	Other (l)	
	358,604	326,003				1
						2
		25,484				3
						4
		477				5
						6
		122,505			66,157	7
						8
		15,362				9
						10
-225,560		247,529			84,161	11
						12
4,010		108,969			21,315	13
						14
						15
						16
						17
						18
						19
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-221,550	358,604	846,329			171,633	41

Name of Respondent Northwestern Wisconsin Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
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**ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)**

Report below information applicable to Account 255. Where appropriate, segregate the balances and transactions by utility and nonutility operations. Explain by footnote any correction adjustments to the account balance shown in column (g). Include in column (i) the average period over which the tax credits are amortized.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Deferred for Year		Allocations to Current Year's Income		Adjustments (g)
			Account No. (c)	Amount (d)	Account No. (e)	Amount (f)	
1	Electric Utility						
2	3%						
3	4%	1,080			411	105	
4	7%						
5	10%	153,952			411	14,996	
6							
7							
8	TOTAL	155,032				15,101	
9	Other (List separately and show 3%, 4%, 7%, 10% and TOTAL)						
10							
11							
12							
13							
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15							
16							
17							
18							
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Name of Respondent Northwestern Wisconsin Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
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**ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) (continued)**

Balance at End of Year (h)	Average Period of Allocation to Income (i)	ADJUSTMENT EXPLANATION	Line No.
			1
			2
975			3
			4
138,956			5
			6
			7
139,931			8
			9
			10
			11
			12
			13
			14
			15
			16
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			47
			48



Name of Respondent Northwestern Wisconsin Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, <u>2002</u>
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**OTHER DEFERRED CREDITS (Account 253)**

- Report below the particulars (details) called for concerning other deferred credits.
- For any deferred credit being amortized, show the period of amortization.
- Minor items (5% of the Balance End of Year for Account 253 or amounts less than \$10,000, whichever is greater) may be grouped by classes.

Line No.	Description and Other Deferred Credits (a)	Balance at Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year (f)
			Contra Account (c)	Amount (d)		
1	OVERREFUND OF TRANSM CHG	-2,541				-2,541
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
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39						
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42						
43						
44						
45						
46						
47	TOTAL	-2,541				-2,541

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**ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282)**

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization
2. For other (Specify), include deferrals relating to other income and deductions.

Line No.	Account  (a)	Balance at Beginning of Year  (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 282			
2	Electric	1,766,230		
3	Gas			
4				
5	TOTAL (Enter Total of lines 2 thru 4)	1,766,230		
6				
7				
8				
9	TOTAL Account 282 (Enter Total of lines 5 thru 8)	1,766,230		
10	Classification of TOTAL			
11	Federal Income Tax	1,344,092		
12	State Income Tax	422,138		
13	Local Income Tax			

NOTES



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**ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282) (Continued)**

3. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
		409	129,610	409	406,463	2,043,083	2
							3
							4
			129,610		406,463	2,043,083	5
							6
							7
							8
			129,610		406,463	2,043,083	9
							10
			103,499		356,399	1,596,992	11
			26,111		50,064	446,091	12
							13

NOTES (Continued)

Name of Respondent Northwestern Wisconsin Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
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**ELECTRIC OPERATING REVENUES (Account 400)**

- Report below operating revenues for each prescribed account, and manufactured gas revenues in total.
- Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The -average number of customers means the average of twelve figures at the close of each month.
- If increases or decreases from previous year (columns (c),(e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.

Line No.	Title of Account (a)	OPERATING REVENUES	
		Amount for Year (b)	Amount for Previous Year (c)
1	Sales of Electricity		
2	(440) Residential Sales	6,892,258	6,921,639
3	(442) Commercial and Industrial Sales		
4	Small (or Comm.) (See Instr. 4)	3,925,230	3,857,547
5	Large (or Ind.) (See Instr. 4)	2,843,726	2,204,127
6	(444) Public Street and Highway Lighting	121,321	113,333
7	(445) Other Sales to Public Authorities		
8	(446) Sales to Railroads and Railways		
9	(448) Interdepartmental Sales		
10	TOTAL Sales to Ultimate Consumers	13,782,535	13,096,646
11	(447) Sales for Resale	317,441	334,892
12	TOTAL Sales of Electricity	14,099,976	13,431,538
13	(Less) (449.1) Provision for Rate Refunds		
14	TOTAL Revenues Net of Prov. for Refunds	14,099,976	13,431,538
15	Other Operating Revenues		
16	(450) Forfeited Discounts	40,645	41,070
17	(451) Miscellaneous Service Revenues	41,318	32,445
18	(453) Sales of Water and Water Power		
19	(454) Rent from Electric Property	11,951	13,252
20	(455) Interdepartmental Rents		
21	(456) Other Electric Revenues	142,108	139,402
22			
23			
24			
25			
26	TOTAL Other Operating Revenues	236,022	226,169
27	TOTAL Electric Operating Revenues	14,335,998	13,657,707

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**ELECTRIC OPERATING REVENUES (Account 400)**

4. Commercial and industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.)
5. See pages 108-109, Important Changes During Year, for important new territory added and important rate increase or decreases.
6. For Lines 2,4,5,and 6, see Page 304 for amounts relating to unbilled revenue by accounts.
7. Include unmetered sales. Provide details of such Sales in a footnote.

MEGAWATT HOURS SOLD		AVG.NO. CUSTOMERS PER MONTH		Line No.
Amount for Year (d)	Amount for Previous Year (e)	Number for Year (f)	Number for Previous Year (g)	
				1
75,411	72,779	10,672	10,493	2
				3
47,696	44,768	1,314	1,291	4
48,024	34,668	26	22	5
960	871	108	109	6
				7
				8
				9
172,091	153,086	12,120	11,915	10
5,643	5,443	2	2	11
177,734	158,529	12,122	11,917	12
				13
177,734	158,529	12,122	11,917	14

Line 12, column (b) includes \$ 54,019 of unbilled revenues.

Line 12, column (d) includes 681 MWH relating to unbilled revenues

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# SALES OF ELECTRICITY BY RATE SCHEDULES

- Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.
- Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.
- Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
- The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
- For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
- Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	WISCONSIN RESIDENTIAL					
2	Rg-1 Residential	25,152	2,175,338	3,455	7,280	0.0865
3	Rg-2 Residential Time of Day	1,247	83,841	72	17,319	0.0672
4	Rgs-1 Residential Seasonal	358	42,453	213	1,681	0.1186
5	Rgs-2 Res Seasonal Time of Day	6	608	2	3,000	0.1013
6	Fg-1 Rural	37,519	3,431,824	4,254	8,820	0.0915
7	Fg-2 Rural Time of Day	5,336	380,497	340	15,694	0.0713
8	Fgs-1 Rural Seasonal	3,848	519,725	2,245	1,714	0.1351
9	Fgs-2 Rural Seasonal Time of Day	112	10,072	21	5,333	0.0899
10	Rw-1 Controlled Water Heating	1,108	68,215	438	2,530	0.0616
11	Rw-2 Controlled Space Heating	244	12,995	29	8,414	0.0533
12	YI-1 Yard Lighting	515	84,641	829	621	0.1644
13	UNBILLED REVENUE	-355	-28,153			0.0793
14	Adjust Duplicate Customers: Rw-1			-438		
15	Adjust Duplicate Customers: Rw-2			-29		
16	Adjust Duplicate Customers: YI-1			-829		
17	TOTAL WISCONSIN RESIDENTIAL	75,090	6,782,056	10,602	7,083	0.0903
18						
19	WISCONSIN SMALL COMM &					
20	Cg-1 General Service	17,601	1,663,950	1,075	16,373	0.0945
21	Cg-2 General Service Time of Day	394	31,457	12	32,833	0.0798
22	Cgs-1 General Service Seasonal	311	34,658	54	5,759	0.1114
23	Cp-1 Small Power Service	20,818	1,556,584	124	167,887	0.0748
24	Cp-2 Sm Power Opt Time of Day	7,705	491,723	22	350,227	0.0638
25	Rw-1 Controlled Water Heating	28	1,769	12	2,333	0.0632
26	Rw-2 Controlled Space Heating	48	2,487	4	12,000	0.0518
27	YI-1 Yard Lighting	255	36,928	356	716	0.1448
28	UNBILLED REVENUE	353	28,012			0.0794
29	Adjust Duplicate Customers: Rw-1			-12		
30	Adjust Duplicate Customers: Rw-2			-4		
31	Adjust Duplicate Customers: YI-1			-356		
32	TOTAL WI SMALL COMM &	47,513	3,847,568	1,287	36,918	0.0810
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL Billed	171,368	13,725,181	12,120	14,139	0.0801
42	Total Unbilled Rev.(See Instr. 6)	723	57,354	0	0	0.0793
43	TOTAL	172,091	13,782,535	12,120	14,199	0.0800

Name of Respondent Northwestern Wisconsin Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
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**SALES OF ELECTRICITY BY RATE SCHEDULES**

- Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.
- Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.
- Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
- The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
- For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
- Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	WISCONSIN LARGE COMM &					
2	Cp-3 Large Power Time of Day	47,311	2,731,124	26	1,819,654	0.0577
3	YI-1 Yard Lighting	23	3,174	25	920	0.1380
4	UNBILLED REVENUE	690	54,720			0.0793
5	Adjust Duplicate Customers: YI-1			-25		
6	TOTAL WI LARGE COMM &	48,024	2,789,018	26	1,847,077	0.0581
7						
8	WISCONSIN STREET & HWY					
9	Ms-1 Unmetered Street Lights	631	101,665	92	6,859	0.1611
10	Ms-1 Metered Street Lights	293	16,286	15	19,533	0.0556
11	UNBILLED REVENUE	35	2,775			0.0793
12	TOTAL WISCONSIN ST & HWY	959	120,726	107	8,963	0.1259
13						
14	WISCONSIN PCAC					
15	Residential		79,063			
16	Small Comm & Industrial		58,991			
17	Large Comm & Industrial		54,708			
18	Street & Hwy Lighting		398			
19	TOTAL WISCONSIN PCAC		193,160			
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL Billed	171,368	13,725,181	12,120	14,139	0.0801
42	Total Unbilled Rev. (See Instr. 6)	723	57,354	0	0	0.0793
43	TOTAL	172,091	13,782,535	12,120	14,199	0.0800



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**SALES OF ELECTRICITY BY RATE SCHEDULES**

- Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.
- Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.
- Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
- The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
- For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
- Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	MINNESOTA RESIDENTIAL					
2	Rg-1 Residential	135	12,429	29	4,655	0.0921
3	Rgs-1 Residential Seasonal	5	1,370	15	333	0.2740
4	Fg-1 Rural	149	14,191	23	6,478	0.0952
5	Fgs-1 Rural Seasonal	4	505	2	2,000	0.1263
6	Fg-2 Rural Time of Day	17	1,146	1	17,000	0.0674
7	Rw-1 Controlled Water Heating	7	489	5	1,400	0.0699
8	YI-1 Yard Lighting	4	674	7	571	0.1685
9	Adjust Duplicate Customers: Rw-1			-5		
10	Adjust Duplicate Customers: YI-1			-7		
11	TOTAL MINNESOTA RESIDENTIAL	321	30,804	70	4,586	0.0960
12						
13	MINNESOTA SMALL COMM &					
14	Cg-1 General Service	95	9,942	13	7,308	0.1047
15	Cgs-1 General Service Seasonal	87	8,214	14	6,214	0.0944
16	YI-1 Yard Lighting	1	114	1	1,000	0.1140
17	Adjust Duplicate Customers: YI-1			-1		
18	TOTAL MINN SM COMM &	183	18,270	27	6,778	0.0998
19						
20	MINNESOTA STREET & HWY					
21	Ms-1 Unmetered Street Lights	1	197	1	1,000	0.1970
22	TOTAL MINN STREET & HWY	1	197	1	1,000	0.1970
23						
24	MINNESOTA PCAC					
25	Residential		335			
26	Small Comm & Industrial		401			
27	Street & Hwy Lighting					
28	TOTAL MINNESOTA PCAC		736			
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL Billed	171,368	13,725,181	12,120	14,139	0.0801
42	Total Unbilled Rev. (See Instr. 6)	723	57,354	0	0	0.0793
43	TOTAL	172,091	13,782,535	12,120	14,199	0.0800

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**SALES FOR RESALE (Account 447)**

1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).

2. Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.

3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:  
 RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.  
 LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or setter can unilaterally get out of the contract.  
 IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.  
 SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.  
 LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.  
 IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	CENTURIA MUNICIPAL ELECTRIC	RQ	1	1.025	1.149	NA
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>



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**SALES FOR RESALE (Account 447) (Continued)**

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.

AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)

5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.

6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP)

demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts.

Footnote any demand not stated on a megawatt basis and explain.

7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE			Total (\$ (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
5,643	84,300	231,040		317,441	1
					2
					3
					4
					5
					6
					7
					8
					9
					10
					11
					12
					13
					14
5,643	84,300	231,040	2,101	317,441	
0	0	0	0	0	
5,643	84,300	231,040	2,101	317,441	

Name of Respondent Northwestern Wisconsin Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
ELECTRIC OPERATION AND MAINTENANCE EXPENSES					
If the amount for previous year is not derived from previously reported figures, explain in footnote.					
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)		
1	1. POWER PRODUCTION EXPENSES				
2	A. Steam Power Generation				
3	Operation				
4	(500) Operation Supervision and Engineering				
5	(501) Fuel				
6	(502) Steam Expenses				
7	(503) Steam from Other Sources				
8	(Less) (504) Steam Transferred-Cr.				
9	(505) Electric Expenses				
10	(506) Miscellaneous Steam Power Expenses				
11	(507) Rents				
12	(509) Allowances				
13	TOTAL Operation (Enter Total of Lines 4 thru 12)				
14	Maintenance				
15	(510) Maintenance Supervision and Engineering				
16	(511) Maintenance of Structures				
17	(512) Maintenance of Boiler Plant				
18	(513) Maintenance of Electric Plant				
19	(514) Maintenance of Miscellaneous Steam Plant				
20	TOTAL Maintenance (Enter Total of Lines 15 thru 19)				
21	TOTAL Power Production Expenses-Steam Power (Entr Tot lines 13 & 20)				
22	B. Nuclear Power Generation				
23	Operation				
24	(517) Operation Supervision and Engineering				
25	(518) Fuel				
26	(519) Coolants and Water				
27	(520) Steam Expenses				
28	(521) Steam from Other Sources				
29	(Less) (522) Steam Transferred-Cr.				
30	(523) Electric Expenses				
31	(524) Miscellaneous Nuclear Power Expenses				
32	(525) Rents				
33	TOTAL Operation (Enter Total of lines 24 thru 32)				
34	Maintenance				
35	(528) Maintenance Supervision and Engineering				
36	(529) Maintenance of Structures				
37	(530) Maintenance of Reactor Plant Equipment				
38	(531) Maintenance of Electric Plant				
39	(532) Maintenance of Miscellaneous Nuclear Plant				
40	TOTAL Maintenance (Enter Total of lines 35 thru 39)				
41	TOTAL Power Production Expenses-Nuc. Power (Entr tot lines 33 & 40)				
42	C. Hydraulic Power Generation				
43	Operation				
44	(535) Operation Supervision and Engineering			3,660	
45	(536) Water for Power				
46	(537) Hydraulic Expenses			14,061	
47	(538) Electric Expenses			11,806	
48	(539) Miscellaneous Hydraulic Power Generation Expenses	9		959	
49	(540) Rents				
50	TOTAL Operation (Enter Total of Lines 44 thru 49)	9		30,486	

Name of Respondent Northwestern Wisconsin Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)				
If the amount for previous year is not derived from previously reported figures, explain in footnote.				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
51	C. Hydraulic Power Generation (Continued)			
52	Maintenance			
53	(541) Maintenance Supervision and Engineering		669	
54	(542) Maintenance of Structures			
55	(543) Maintenance of Reservoirs, Dams, and Waterways			
56	(544) Maintenance of Electric Plant		1,778	
57	(545) Maintenance of Miscellaneous Hydraulic Plant			
58	TOTAL Maintenance (Enter Total of lines 53 thru 57)		2,447	
59	TOTAL Power Production Expenses-Hydraulic Power (tot of lines 50 & 58)	9	32,933	
60	D. Other Power Generation			
61	Operation			
62	(546) Operation Supervision and Engineering	758	1,684	
63	(547) Fuel	8,351	25,272	
64	(548) Generation Expenses	40,392	38,618	
65	(549) Miscellaneous Other Power Generation Expenses	59,185	126,485	
66	(550) Rents			
67	TOTAL Operation (Enter Total of lines 62 thru 66)	108,686	192,059	
68	Maintenance			
69	(551) Maintenance Supervision and Engineering	1,672	2,152	
70	(552) Maintenance of Structures	10,344	8,253	
71	(553) Maintenance of Generating and Electric Plant	24,726	23,732	
72	(554) Maintenance of Miscellaneous Other Power Generation Plant	641	4,814	
73	TOTAL Maintenance (Enter Total of lines 69 thru 72)	37,383	38,951	
74	TOTAL Power Production Expenses-Other Power (Enter Tot of 67 & 73)	146,069	231,010	
75	E. Other Power Supply Expenses			
76	(555) Purchased Power	6,729,909	6,578,755	
77	(556) System Control and Load Dispatching	2,780	7,406	
78	(557) Other Expenses	7,097	8,464	
79	TOTAL Other Power Supply Exp (Enter Total of lines 76 thru 78)	6,739,786	6,594,625	
80	TOTAL Power Production Expenses (Total of lines 21, 41, 59, 74 & 79)	6,885,864	6,858,568	
81	2. TRANSMISSION EXPENSES			
82	Operation			
83	(560) Operation Supervision and Engineering	13,578	10,241	
84	(561) Load Dispatching	879	-75	
85	(562) Station Expenses	25,261	14,285	
86	(563) Overhead Lines Expenses	9,210	7,318	
87	(564) Underground Lines Expenses			
88	(565) Transmission of Electricity by Others			
89	(566) Miscellaneous Transmission Expenses	642	2,143	
90	(567) Rents	50	50	
91	TOTAL Operation (Enter Total of lines 83 thru 90)	49,620	33,962	
92	Maintenance			
93	(568) Maintenance Supervision and Engineering	7,648	7,110	
94	(569) Maintenance of Structures			
95	(570) Maintenance of Station Equipment	20,377	7,405	
96	(571) Maintenance of Overhead Lines	28,968	13,002	
97	(572) Maintenance of Underground Lines			
98	(573) Maintenance of Miscellaneous Transmission Plant	1,500		
99	TOTAL Maintenance (Enter Total of lines 93 thru 98)	58,493	27,517	
100	TOTAL Transmission Expenses (Enter Total of lines 91 and 99)	108,113	61,479	
101	3. DISTRIBUTION EXPENSES			
102	Operation			
103	(580) Operation Supervision and Engineering	17,547	15,715	

Name of Respondent Northwestern Wisconsin Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
<b>ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)</b>				
If the amount for previous year is not derived from previously reported figures, explain in footnote.				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
104	3. DISTRIBUTION Expenses (Continued)			
105	(581) Load Dispatching			
106	(582) Station Expenses	16,383	5,207	
107	(583) Overhead Line Expenses	453,911	372,469	
108	(584) Underground Line Expenses	92,677	102,718	
109	(585) Street Lighting and Signal System Expenses	30,339	17,381	
110	(586) Meter Expenses	50,640	48,574	
111	(587) Customer Installations Expenses	3,119	1,439	
112	(588) Miscellaneous Expenses	91,213	101,531	
113	(589) Rents	150	275	
114	TOTAL Operation (Enter Total of lines 103 thru 113)	755,979	665,309	
115	Maintenance			
116	(590) Maintenance Supervision and Engineering	2,880	3,083	
117	(591) Maintenance of Structures	184		
118	(592) Maintenance of Station Equipment	879	613	
119	(593) Maintenance of Overhead Lines	384,375	307,540	
120	(594) Maintenance of Underground Lines	49,765	19,081	
121	(595) Maintenance of Line Transformers	70,886	43,503	
122	(596) Maintenance of Street Lighting and Signal Systems	1,770	1,445	
123	(597) Maintenance of Meters	2,918	-44	
124	(598) Maintenance of Miscellaneous Distribution Plant			
125	TOTAL Maintenance (Enter Total of lines 116 thru 124)	513,657	375,221	
126	TOTAL Distribution Exp (Enter Total of lines 114 and 125)	1,269,636	1,040,530	
127	4. CUSTOMER ACCOUNTS EXPENSES			
128	Operation			
129	(901) Supervision	8,566	7,682	
130	(902) Meter Reading Expenses	183,462	182,336	
131	(903) Customer Records and Collection Expenses	238,003	214,729	
132	(904) Uncollectible Accounts	29,718	21,850	
133	(905) Miscellaneous Customer Accounts Expenses			
134	TOTAL Customer Accounts Expenses (Total of lines 129 thru 133)	459,749	426,597	
135	5. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES			
136	Operation			
137	(907) Supervision			
138	(908) Customer Assistance Expenses			
139	(909) Informational and Instructional Expenses	24,136	26,237	
140	(910) Miscellaneous Customer Service and Informational Expenses	67,706	67,085	
141	TOTAL Cust. Service and Information. Exp. (Total lines 137 thru 140)	91,842	93,322	
142	6. SALES EXPENSES			
143	Operation			
144	(911) Supervision			
145	(912) Demonstrating and Selling Expenses	474	557	
146	(913) Advertising Expenses	3,894	2,210	
147	(916) Miscellaneous Sales Expenses			
148	TOTAL Sales Expenses (Enter Total of lines 144 thru 147)	4,368	2,767	
149	7. ADMINISTRATIVE AND GENERAL EXPENSES			
150	Operation			
151	(920) Administrative and General Salaries	245,490	225,872	
152	(921) Office Supplies and Expenses	25,296	19,937	
153	(Less) (922) Administrative Expenses Transferred-Credit	98,319	110,690	

Name of Respondent Northwestern Wisconsin Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/30/2003	Year of Report Dec. 31, 2002
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)				
If the amount for previous year is not derived from previously reported figures, explain in footnote.				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
154	7. ADMINISTRATIVE AND GENERAL EXPENSES (Continued)			
155	(923) Outside Services Employed	39,710	25,503	
156	(924) Property Insurance	44,598	37,117	
157	(925) Injuries and Damages	245,940	198,305	
158	(926) Employee Pensions and Benefits	452,683	320,146	
159	(927) Franchise Requirements			
160	(928) Regulatory Commission Expenses	1,868	27,777	
161	(929) (Less) Duplicate Charges-Cr.			
162	(930.1) General Advertising Expenses	2,587	2,965	
163	(930.2) Miscellaneous General Expenses	29,066	22,809	
164	(931) Rents			
165	TOTAL Operation (Enter Total of lines 151 thru 164)	988,920	769,741	
166	Maintenance			
167	(935) Maintenance of General Plant	3,951	5,437	
168	TOTAL Admin & General Expenses (Total of lines 165 thru 167)	992,871	775,178	
169	TOTAL Elec Op and Maint Expn (Tot 80, 100, 126, 134, 141, 148, 168)	9,812,443	9,258,441	

NUMBER OF ELECTRIC DEPARTMENT EMPLOYEES	
1. The data on number of employees should be reported for the payroll period ending nearest to October 31, or any payroll period ending 60 days before or after October 31.	construction employees in a footnote.
2. If the respondent's payroll for the reporting period includes any special construction personnel, include such employees on line 3, and show the number of such special	3. The number of employees assignable to the electric department from joint functions of combination utilities may be determined by estimate, on the basis of employee equivalents. Show the estimated number of equivalent employees attributed to the electric department from joint functions.
1. Payroll Period Ended (Date)	11/02/2002
2. Total Regular Full-Time Employees	50
3. Total Part-Time and Temporary Employees	3
4. Total Employees	53

Name of Respondent Northwestern Wisconsin Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
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**PURCHASED POWER (Account 555)  
(Including power exchanges)**

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

**RQ** - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

**LF** - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

**IF** - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.

**SF** - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

**LU** - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

**IU** - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

**EX** - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

**OS** - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	XCEL ENERGY	OS	1	15	NA	NA
2	DAIRYLAND POWER COOPERATIVE	OS	2	NA	NA	NA
3	MID-CONTINENT AREA POWER POOL	OS	NONE	NA	NA	NA
4	NORTH AMERICAN HYDRO	OS	NONE	NA	NA	NA
5	MINNESOTA MUNICIPAL POWER	OS	NONE	NA	NA	NA
6	SPLIT ROCK	OS	NONE	NA	NA	NA
7	UTILITIES PLUS	OS	NONE	NA	NA	NA
8	XCEL MARKETING	OS	NONE	NA	NA	NA
9	ZIEGLER	OS	NONE	NA	NA	NA
10	POLK-BURNETT	OS	NONE	NA	NA	NA
11	MISO	OS	NONE	NA	NA	NA
12						
13						
14						
Total						

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**PURCHASED POWER (Account 555) (Continued)**  
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.
7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.
9. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	
178,514			397,000	4,563,125	35,817	4,995,942	1
111				6,135	604,153	610,288	2
					109,196	109,196	3
12,832				473,096		473,096	4
445				24,564		24,564	5
225				12,081		12,081	6
575				33,896		33,896	7
43				4,600		4,600	8
			113,280			113,280	9
17				650		650	10
					352,316	352,316	11
							12
							13
							14
192,762			510,280	5,118,147	1,101,482	6,729,909	

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<b>TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)</b> (Including transactions referred to as 'wheeling')				
<p>1. Report all transmission of electricity, i. e., wheeling, provided for other electric utilities, cooperatives, municipalities, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers.</p> <p>2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).</p> <p>3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c).</p> <p>4. In column(d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows:          LF - for Long-term firm transmission service. "Long-term" means one year or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.          SF - for short-term firm transmission service. Use this category for all firm services, where the duration of each period of commitment for service is less than one year.</p>				
Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classification (d)
1	DAIRYLAND POWER COOPERATIVE	DAIRYLAND POWER COOPERATIVE	DAIRYLAND POWER COOPERATIVE	OS
2				
3	DAIRYLAND POWER COOPERATIVE	DAIRYLAND POWER COOPERATIVE	DAIRYLAND POWER COOPERATIVE	OS
4				
5	DAIRYLAND POWER COOPERATIVE	DAIRYLAND POWER COOPERATIVE	DAIRYLAND POWER COOPERATIVE	OS
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
	<b>TOTAL</b>			



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TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued) (Including transactions referred to as 'wheeling')							
<p>OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all nonfirm service regardless of the length of the contract and service from, designated units of less than one year. Describe the nature of the service in a footnote for each adjustment.</p> <p>AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.</p> <p>5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.</p> <p>6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.</p> <p>7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.</p>							
FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.	
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)		
2	FREDERIC SUBSTATION	DPC - GRANTSBURG SUB		11,966	11,184	1	
						2	
2	GARFIELD SUBSTATION	DPC - EUREKA SUB		7,888	7,372	3	
						4	
2	LAKE 26 SUBSTATION	MEENON SUB		1,565	1,462	5	
						6	
						7	
						8	
						9	
						10	
						11	
						12	
						13	
						14	
						15	
						16	
						17	
			0	21,419	20,018		







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MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (ELECTRIC)					
Line No.	Description (a)	Amount (b)			
1	Industry Association Dues	11,651			
2	Nuclear Power Research Expenses				
3	Other Experimental and General Research Expenses				
4	Pub & Dist Info to Stkhldrs...expn servicing outstanding Securities	4,751			
5	Oth Expn >=5,000 show purpose, recipient, amount. Group if < \$5,000				
6	DIRECTORS' FEES AND EXPENSES	12,664			
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
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21					
22					
23					
24					
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41					
42					
43					
44					
45					
46	TOTAL	29,066			



Name of Respondent Northwestern Wisconsin Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
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**DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Account 403, 404, 405)**  
(Except amortization of acquisition adjustments)

1. Report in Section A for the year the amounts for: (a) Depreciation Expense (Account 403); (b) Amortization of Limited-Term Electric Plant (Account 404); and (c) Amortization of Other Electric Plant (Account 405).

2. Report in Section 8 the rates used to compute amortization charges for electric plant (Accounts 404 and 405). State the basis used to compute charges and whether any changes have been made in the basis or rates used from the preceding report year.

3. Report all available information called for in Section C every fifth year beginning with report year 1971, reporting annually only changes to columns (c) through (g) from the complete report of the preceding year.

Unless composite depreciation accounting for total depreciable plant is followed, list numerically in column (a) each plant subaccount, account or functional classification, as appropriate, to which a rate is applied. Identify at the bottom of Section C the type of plant included in any sub-account used.

In column (b) report all depreciable plant balances to which rates are applied showing subtotals by functional Classifications and showing composite total. Indicate at the bottom of section C the manner in which column balances are obtained. If average balances, state the method of averaging used.

For columns (c), (d), and (e) report available information for each plant subaccount, account or functional classification Listed in column (a). If plant mortality studies are prepared to assist in estimating average service Lives, show in column (f) the type mortality curve selected as most appropriate for the account and in column (g), if available, the weighted average remaining life of surviving plant. If composite depreciation accounting is used, report available information called for in columns (b) through (g) on this basis.

4. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state at the bottom of section C the amounts and nature of the provisions and the plant items to which related.

**A. Summary of Depreciation and Amortization Charges**

Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Amortization of Limited Term Electric Plant (Acc 404) (c)	Amortization of Other Electric Plant (Acc 405) (d)	Total (e)
1	Intangible Plant				
2	Steam Production Plant				
3	Nuclear Production Plant				
4	Hydraulic Production Plant-Conventional				
5	Hydraulic Production Plant-Pumped Storage				
6	Other Production Plant	207,766			207,766
7	Transmission Plant	245,353	3,000		248,353
8	Distribution Plant	750,688			750,688
9	General Plant	215,427			215,427
10	Common Plant-Electric				
11	TOTAL	1,419,234	3,000		1,422,234

**B. Basis for Amortization Charges**

Amortization of MISO fee: \$15,000 x 5 years = \$3,000 per year





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**DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)**

**C. Factors Used in Estimating Depreciation Charges**

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	Determined by the PSCW						
13							
14							
15							
16							
17							
18							
19							
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Name of Respondent Northwestern Wisconsin Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/03	Year of Report Dec. 31, 2002
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**PARTICULARS CONCERNING CERTAIN INCOME DEDUCTIONS AND INTEREST CHARGES ACCOUNTS**

Report the information specified below, in the order given, for the respective income deduction and interest charges account. Provide a subheading for each account and a total for the account. Additional columns may be added if deemed appropriate with respect to any account.

(a) Miscellaneous Amortization (Account 425): Describe the nature of items included in this account, the contra account charged, the total of amortization charges for the year, and the period of amortization.

(b) Miscellaneous Income Deductions: Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1, Donations; 426.2, Life Insurance; 426.3, Penalties; 426.4, Expenditures for Certain Civic Political and Related Activities; and 426.5, Other Deductions, of the Uniform System of Accounts. Amounts of less than 5% of each account total for the year (or \$1,000, whichever is greater) may be grouped by classes within the above accounts.

(c) Interest on Debt to Associated Companies (Account 430) -- For each associated company to which interest on debt was incurred during the year, indicate the amount and interest rate respectively for (a) advances on notes, (b) advances on open account, (c) notes payable, (d) accounts payable, and (e) other debt, and total interest. Explain the nature of other debt on which interest was incurred during the year.

(d) Other Interest Expense (Account 431) -- Report particulars (details) including the amount and interest rate for other interest charges incurred during the year.

Line No.	Item (a)	Amount (b)
1	(A) MISCELLANEOUS AMORTIZATION - ACCT 425	
2	TOTAL - 425	
3		
4	(B) DONATIONS - ACCOUNT 426.1	
5	FRIENDS OF THE GRANTSBURG PUBLIC LIBRARY	2,000
6	CHAMBER OF COMMERCE, ROTARY	1,083
7	MISCELLANEOUS CHARITIES, SCHOOLS, ETC.	2,815
8	TOTAL - 426.1	5,898
9		
10	(B) EXP FOR CIVIC, POLITICAL & RELATED - ACCT 426.4	
11	NATIONAL FEDERATION OF INDEPENDENT BUSINESS	150
12	U.S. CHAMBER OF COMMERCE	175
13	WISCONSIN RIGHT TO WORK MEMBERSHIP	40
14	TOTAL - 426.4	365
15		
16	(D) OTHER INTEREST EXPENSE - ACCT 431	
17	LIBOR NOTES: FIRSTAR BANK - % SET BY BRITISH BANK	22,803
18	DEMAND NOTES: Various Rates 4%	130,664
19	LINE OF CREDIT: FIRSTAR BANK - .5% BELOW BASE RATE	23,036
20	LINE OF CREDIT: NAT'L BANK OF COMMERCE - BASE RATE	3,614
21	CUSTOMERS' METER DEPOSITS: 1.5%	1,783
22	TOTAL - 431	181,900
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**REGULATORY COMMISSION EXPENSES**

1. Report particulars (details) of regulatory commission expenses incurred during the current year (or incurred in previous years, if being amortized) relating to format cases before a regulatory body, or cases in which such a body was a party.
2. Report in columns (b) and (c), only the current year's expenses that are not deferred and the current year's amortization of amounts deferred in previous years.

Line No.	Description (Furnish name of regulatory commission or body the docket or case number and a description of the case) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expense for Current Year (b) + (c) (d)	Deferred in Account 182.3 at Beginning of Year (e)
1	FEDERAL ENERGY REGULATORY COMMISSION	927		927	
2					
3	MINNESOTA DEPARTMENT OF PUBLIC SERVICE	283		283	
4					
5	WISCONSIN PUBLIC SERVICE COMMISSION	658		658	
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46	TOTAL	1,868		1,868	

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**REGULATORY COMMISSION EXPENSES (Continued)**

3. Show in column (k) any expenses incurred in prior years which are being amortized. List in column (a) the period of amortization.  
4. List in column (f), (g), and (h) expenses incurred during year which were charged currently to income, plant, or other accounts.  
5. Minor items (less than \$25,000) may be grouped.

EXPENSES INCURRED DURING YEAR				AMORTIZED DURING YEAR			
CURRENTLY CHARGED TO			Deferred to Account 182.3 (i)	Contra Account (j)	Amount (k)	Deferred in Account 182.3 End of Year (l)	Line No.
Department (f)	Account No. (g)	Amount (h)					
	928	927					1
							2
	928	283					3
							4
	928	658					5
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		1,868					46

Name of Respondent Northwestern Wisconsin Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
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**DISTRIBUTION OF SALARIES AND WAGES**

Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)
1	Electric			
2	Operation			
3	Production	52,303		
4	Transmission	24,784		
5	Distribution	568,640		
6	Customer Accounts	343,676		
7	Customer Service and Informational	11,220		
8	Sales			
9	Administrative and General	275,959		
10	TOTAL Operation (Enter Total of lines 3 thru 9)	1,276,582		
11	Maintenance			
12	Production	26,907		
13	Transmission	22,807		
14	Distribution	248,621		
15	Administrative and General			
16	TOTAL Maint. (Total of lines 12 thru 15)	298,335		
17	Total Operation and Maintenance			
18	Production (Enter Total of lines 3 and 12)	79,210		
19	Transmission (Enter Total of lines 4 and 13)	47,591		
20	Distribution (Enter Total of lines 5 and 14)	817,261		
21	Customer Accounts (Transcribe from line 6)	343,676		
22	Customer Service and Informational (Transcribe from line 7)	11,220		
23	Sales (Transcribe from line 8)			
24	Administrative and General (Enter Total of lines 9 and 15)	275,959		
25	TOTAL Oper. and Maint. (Total of lines 18 thru 24)	1,574,917	39,527	1,614,444
26	Gas			
27	Operation			
28	Production-Manufactured Gas			
29	Production-Nat. Gas (Including Expl. and Dev.)			
30	Other Gas Supply			
31	Storage, LNG Terminating and Processing			
32	Transmission			
33	Distribution			
34	Customer Accounts			
35	Customer Service and Informational			
36	Sales			
37	Administrative and General			
38	TOTAL Operation (Enter Total of lines 28 thru 37)			
39	Maintenance			
40	Production-Manufactured Gas			
41	Production-Natural Gas			
42	Other Gas Supply			
43	Storage, LNG Terminating and Processing			
44	Transmission			
45	Distribution			
46	Administrative and General			
47	TOTAL Maint. (Enter Total of lines 40 thru 46)			

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DISTRIBUTION OF SALARIES AND WAGES (Continued)

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)
48	Total Operation and Maintenance			
49	Production-Manufactured Gas (Enter Total of lines 28 and 40)			
50	Production-Natural Gas (Including Expl. and Dev.) (Total lines 29,			
51	Other Gas Supply (Enter Total of lines 30 and 42)			
52	Storage, LNG Terminating and Processing (Total of lines 31 thru			
53	Transmission (Lines 32 and 44)			
54	Distribution (Lines 33 and 45)			
55	Customer Accounts (Line 34)			
56	Customer Service and Informational (Line 35)			
57	Sales (Line 36)			
58	Administrative and General (Lines 37 and 46)			
59	TOTAL Operation and Maint. (Total of lines 49 thru 58)			
60	Other Utility Departments			
61	Operation and Maintenance			
62	TOTAL All Utility Dept. (Total of lines 25, 59, and 61)	1,574,917	39,527	1,614,444
63	Utility Plant			
64	Construction (By Utility Departments)			
65	Electric Plant	687,548		687,548
66	Gas Plant			
67	Other (provide details in footnote):			
68	TOTAL Construction (Total of lines 65 thru 67)	687,548		687,548
69	Plant Removal (By Utility Departments)			
70	Electric Plant	68,571		68,571
71	Gas Plant			
72	Other (provide details in footnote):			
73	TOTAL Plant Removal (Total of lines 70 thru 72)	68,571		68,571
74	Other Accounts (Specify, provide details in footnote):			
75	Other Accounts Receivable	48,705		48,705
76	Deferred Debits	26,119		26,119
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95	TOTAL Other Accounts	74,824		74,824
96	TOTAL SALARIES AND WAGES	2,405,860	39,527	2,445,387

Name of Respondent Northwestern Wisconsin Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
<b>ELECTRIC ENERGY ACCOUNT</b>					
Report below the information called for concerning the disposition of electric energy generated, purchased, exchanged and wheeled during the year.					
Line No.	Item (a)	MegaWatt Hours (b)	Line No.	Item (a)	MegaWatt Hours (b)
1	SOURCES OF ENERGY		21	DISPOSITION OF ENERGY	
2	Generation (Excluding Station Use):		22	Sales to Ultimate Consumers (Including Interdepartmental Sales)	171,369
3	Steam		23	Requirements Sales for Resale (See instruction 4, page 311.)	5,685
4	Nuclear		24	Non-Requirements Sales for Resale (See instruction 4, page 311.)	
5	Hydro-Conventional		25	Energy Furnished Without Charge	
6	Hydro-Pumped Storage		26	Energy Used by the Company (Electric Dept Only, Excluding Station Use)	525
7	Other	57	27	Total Energy Losses	16,641
8	Less Energy for Pumping		28	TOTAL (Enter Total of Lines 22 Through 27) (MUST EQUAL LINE 20)	194,220
9	Net Generation (Enter Total of lines 3 through 8)	57			
10	Purchases	192,762			
11	Power Exchanges:				
12	Received				
13	Delivered				
14	Net Exchanges (Line 12 minus line 13)				
15	Transmission For Other (Wheeling)				
16	Received	21,419			
17	Delivered	20,018			
18	Net Transmission for Other (Line 16 minus line 17)	1,401			
19	Transmission By Others Losses				
20	TOTAL (Enter Total of lines 9, 10, 14, 18 and 19)	194,220			



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### MONTHLY PEAKS AND OUTPUT

1. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.
2. Report in column (b) the system's energy output for each month such that the total on Line 41 matches the total on Line 20.
3. Report in column (c) a monthly breakdown of the Non-Requirements Sales For Resale reported on Line 24. include in the monthly amounts any energy losses associated with the sales so that the total on Line 41 exceeds the amount on Line 24 by the amount of losses incurred (or estimated) in making the Non-Requirements Sales for Resale.
4. Report in column (d) the system's monthly maximum megawatt Load (60-minute integration) associated with the net energy for the system defined as the difference between columns (b) and (c)
5. Report in columns (e) and (f) the specified information for each monthly peak load reported in column (d).

### NAME OF SYSTEM:

Line No.	Month (a)	Total Monthly Energy (b)	Monthly Non-Requirements Sales for Resale & Associated Losses (c)	MONTHLY PEAK		
				Megawatts (See Instr. 4) (d)	Day of Month (e)	Hour (f)
29	January	17,111		29	18	0800
30	February	14,942		29	4	0800
31	March	16,528		28	4	0800
32	April	14,669		26	5	0800
33	May	14,949		27	30	1400
34	June	15,735		32	28	1500
35	July	18,471		37	1	1500
36	August	16,583		30	1	1200
37	September	15,270		32	9	1500
38	October	15,911		26	24	0800
39	November	16,336		30	25	1900
40	December	17,715		30	2	0800
41	TOTAL	194,220				

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**GENERATING PLANT STATISTICS (Small Plants)**

1. Small generating plants are steam plants of, less than 25,000 Kw; internal combustion and gas turbine-plants, conventional hydro plants and pumped storage plants of less than 10,000 Kw installed capacity (name plate rating). 2. Designate any plant leased from others, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, and give a concise statement of the facts in a footnote. If licensed project, give project number in footnote.

Line No.	Name of Plant (a)	Year Orig. Const. (b)	Installed Capacity Name Plate Rating (In MW) (c)	Net Peak Demand MW (60 min.) (d)	Net Generation Excluding Plant Use (e)	Cost of Plant (f)
1	DIESEL					
2	FREDERIC	1947	13.80		23	2,340,419
3	GRANTSBURG	1960	4.79		7	753,460
4	DANBURY	1966	1.20		5	234,782
5	DANBURY COMBUSTION TURBINE	1981	6.75		22	1,788,170
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**GENERATING PLANT STATISTICS (Small Plants) (Continued)**

3. List plants appropriately under subheadings for steam, hydro, nuclear, internal combustion and gas turbine plants. For nuclear, see instruction 11, Page 403. 4. If net peak demand for 60 minutes is not available, give the which is available, specifying period. 5. If any plant is equipped with combinations of steam, hydro internal combustion or gas turbine equipment, report each as a separate plant. However, if the exhaust heat from the gas turbine is utilized in a steam turbine regenerative feed water cycle, or for preheated combustion air in a boiler, report as one plant.

Plant Cost Per MW Inst Capacity (g)	Operation Exc'l. Fuel (h)	Production Expenses		Kind of Fuel (k)	Fuel Costs (in cents per Million Btu) (l)	Line No.
		Fuel (i)	Maintenance (j)			
						1
169,596	47,787	3,019	22,856	#2 DIESEL		2
157,299	28,941	3,030	6,158	#2 DIESEL		3
195,652	20,513	193	5,365	#2 DIESEL		4
264,914	3,094	2,109	3,004	#1 DIESEL		5
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### TRANSMISSION LINE STATISTICS

- Report information concerning transmission lines, cost of lines, and expenses for year. List each transmission line having nominal voltage of 132 kilovolts or greater. Report transmission lines below these voltages in group totals only for each voltage.
- Transmission lines include all lines covered by the definition of transmission system plant as given in the Uniform System of Accounts. Do not report substation costs and expenses on this page.
- Report data by individual lines for all voltages if so required by a State commission.
- Exclude from this page any transmission lines for which plant costs are included in Account 121, Nonutility Property.
- Indicate whether the type of supporting structure reported in column (e) is: (1) single pole wood or steel; (2) H-frame wood, or steel poles; (3) tower; or (4) underground construction. If a transmission line has more than one type of supporting structure, indicate the mileage of each type of construction by the use of brackets and extra lines. Minor portions of a transmission line of a different type of construction need not be distinguished from the remainder of the line.
- Report in columns (f) and (g) the total pole miles of each transmission line. Show in column (f) the pole miles of line on structures the cost of which is reported for the line designated; conversely, show in column (g) the pole miles of line on structures the cost of which is reported for another line. Report pole miles of line on leased or partly owned structures in column (g). In a footnote, explain the basis of such occupancy and state whether expenses with respect to such structures are included in the expenses reported for the line designated.

Line No.	DESIGNATION		VOLTAGE (KV) (Indicate where other than 60 cycle, 3 phase)		Type of Supporting Structure (e)	LENGTH (Pole miles) (In the case of underground lines report circuit miles)		Number Of Circuits (h)
	From (a)	To (b)	Operating (c)	Designed (d)		On Structure of Line Designated (f)	On Structures of Another Line (g)	
1	34KV LINES & LESS		34.00	34.00	WOOD	99.58	5.34	1
2								
3								
4	69KV LINES		69.00	69.00	WOOD	43.25		1
5								
6	69KV LINES		69.00	69.00	UNDERGROU	0.30		1
7								
8								
9								
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35								
36					TOTAL	143.13	5.34	3

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**TRANSMISSION LINE STATISTICS (Continued)**

7. Do not report the same transmission line structure twice. Report Lower voltage Lines and higher voltage lines as one line. Designate in a footnote if you do not include Lower voltage lines with higher voltage lines. If two or more transmission line structures support lines of the same voltage, report the pole miles of the primary structure in column (f) and the pole miles of the other line(s) in column (g)

8. Designate any transmission line or portion thereof for which the respondent is not the sole owner. If such property is leased from another company, give name of lessor, date and terms of Lease, and amount of rent for year. For any transmission line other than a leased line, or portion thereof, for which the respondent is not the sole owner but which the respondent operates or shares in the operation of, furnish a succinct statement explaining the arrangement and giving particulars (details) of such matters as percent ownership by respondent in the line, name of co-owner, basis of sharing expenses of the Line, and how the expenses borne by the respondent are accounted for, and accounts affected. Specify whether lessor, co-owner, or other party is an associated company.

9. Designate any transmission line leased to another company and give name of Lessee, date and terms of lease, annual rent for year, and how determined. Specify whether lessee is an associated company.

10. Base the plant cost figures called for in columns (j) to (l) on the book cost at end of year.

Size of Conductor and Material (i)	COST OF LINE (Include in Column (j) Land, Land rights, and clearing right-of-way)			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
VARIOUS	42,125	2,795,548	2,837,673	4,950	15,568		20,518	1
								2
								3
VARIOUS	206,625	1,780,539	1,987,164	3,466	10,902		14,368	4
								5
1200 MCM	15,285	439,932	455,217	794	2,498		3,292	6
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	264,035	5,016,019	5,280,054	9,210	28,968		38,178	36

Name of Respondent Northwestern Wisconsin Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
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**TRANSMISSION LINES ADDED DURING YEAR**

1. Report below the information called for concerning Transmission lines added or altered during the year. It is not necessary to report minor revisions of lines.
2. Provide separate subheadings for overhead and under- ground construction and show each transmission line separately. If actual costs of completed construction are not readily available for reporting columns (l) to (o), it is permissible to report in these columns the

Line No.	LINE DESIGNATION		Line Length in Miles (c)	SUPPORTING STRUCTURE		CIRCUITS PER STRUCTURE	
	From (a)	To (b)		Type (d)	Average Number per Miles (e)	Present (f)	Ultimate (g)
1	NONE						
2							
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4							
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44	TOTAL						

Name of Respondent Northwestern Wisconsin Electric Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
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**TRANSMISSION LINES ADDED DURING YEAR (Continued)**

costs. Designate, however, if estimated amounts are reported. Include costs of Clearing Land and Rights-of-Way, and Roads and Trails, in column (l) with appropriate footnote, and costs of Underground Conduit in column (m).

3. If design voltage differs from operating voltage, indicate such fact by footnote; also where line is other than 60 cycle, 3 phase, indicate such other characteristic.

CONDUCTORS			Voltage KV (Operating) (k)	LINE COST				Line No.
Size (h)	Specification (i)	Configuration and Spacing (j)		Land and Land Rights (l)	Poles, Towers and Fixtures (m)	Conductors and Devices (n)	Total (o)	
								1
								2
								3
								4
								5
								6
								7
								8
								9
								10
								11
								12
								13
								14
								15
								16
								17
								18
								19
								20
								21
								22
								23
								24
								25
								26
								27
								28
								29
								30
								31
								32
								33
								34
								35
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								37
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								42
								43
								44

Name of Respondent Northwestern Wisconsin Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
---	---	--	---------------------------------

### SUBSTATIONS

1. Report below the information called for concerning substations of the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of Less than 10 MVA except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	BALSAM LAKE	TRANSMISSION	69.00	34.50	2.40
2	BALSAM LAKE	DISTRIBUTION	69.00	12.50	
3	BALSAM LAKE NORTH	DISTRIBUTION	34.50	12.50	
4	MILLTOWN	DISTRIBUTION	34.50	12.50	
5	ATLAS	DISTRIBUTION	34.50	12.50	
6	FREDERIC	TRANSMISSION	69.00	34.50	4.80
7	FREDERIC DIESEL	DISTRIBUTION	34.50	4.16	
8	FREDERIC DIESEL	GENERATION	2.40	34.50	
9	FREDERIC DIESEL	GENERATION	4.16	34.50	
10	FREDERIC NORTH	DISTRIBUTION	34.50	12.50	
11	ALPHA	DISTRIBUTION	34.50	12.50	
12	GRANTSBURG DIESEL	DISTRIB/GENERATION	34.50	4.16	
13	WEBB LAKE	DISTRIBUTION	34.50	12.50	
14	CLAM RIVER DAM	GENERATION	2.40	34.50	
15	CLAM FALLS	GENERATION	2.40	12.50	
16	LEWIS	DISTRIBUTION	34.50	12.50	
17	SIREN 1500	DISTRIBUTION	34.50	12.50	
18	WEBSTER	DISTRIBUTION	34.50	4.16	
19	OAKLAND	DISTRIBUTION	34.50	12.50	
20	DANBURY HYDRO	DISTRIB/GENERATION	2.40	34.50	
21	TOWER ROAD-SWISS TWP	DISTRIBUTION	34.50	12.50	
22	PENTA	DISTRIBUTION	34.50	12.50	
23	DANBURY TURBINE	GENERATION	4.16	34.50	
24	DAHLBERG SUB - BLACK BROOK	GENERATION	13.20	66.00	
25	BLACK BROOK	GENERATION	2.40	13.20	
26	HOFFMAN SUB - GRANTSBURG TWP	DISTRIBUTION	69.00	12.50	
27	LAKE 26 SUB - SWISS TWP	TRANSMISSION	69.00	34.50	7.20
28	HOFFMAN	TRANSMISSION	69.00	34.50	4.80
29	ROCK CREEK	TRANSMISSION	230.00	69.00	13.80
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					



Name of Respondent Northwestern Wisconsin Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2003	Year of Report Dec. 31, 2002
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**SUBSTATIONS (Continued)**

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
9	1		NONE			1
7	1					2
2	3					3
3	1					4
3	1					5
30	1	1				6
3	3					7
4	1					8
10	1					9
1	3	1				10
2	3	1				11
4	3	1				12
3	6					13
1	3	1				14
	3	3				15
1	3	1				16
2	1					17
3	3					18
2	1					19
2	1					20
4	1					21
2	1					22
8	1					23
1	3					24
1	1					25
3	1					26
12	1	1				27
30	1					28
50	1					29
						30
						31
						32
						33
						34
						35
						36
						37
						38
						39
						40



Name of Respondent Northwestern Wisconsin Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/31/03	Year of Report Dec. 31, 2002
ELECTRIC DISTRIBUTION METERS AND LINE TRANSFORMERS					
<p>1. Report below the information called for concerning distribution watt-hour meters and line transformers.</p> <p>2. Include watt-hour demand distribution meters, but not external demand meters.</p> <p>3. Show in a footnote the number of distribution watt-hour meters or line transformers held by the respondent under lease from others, jointly owned with others, or held otherwise than by reason of sole ownership by the respondent. If 500 or more meters or line transformers are held under a lease, give name of lessor, date and period of lease, and annual rent. If 500 or more meters or line transformers are held other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of accounting for expenses between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.</p>					
Line No.	Item (a)	Number of Watt-hour Meters (b)	LINE TRANSFORMERS		
			Number (c)	Total capacity (in (MVA) (d)	
1	Number at Beginning of Year	13,220	6,935	148	
2	Additions During Year				
3	Purchases	444	398	10	
4	Associated with Utility Plant Acquired				
5	TOTAL Additions (Enter Total of lines 3 and 4)	444	398	10	
6	Reductions During Year				
7	Retirements	122	311	7	
8	Associated with Utility Plant Sold				
9	TOTAL Reductions (Enter Total of lines 7 and 8)	122	311	7	
10	Number at End of Year (Lines 1 + 5 - 9)	13,542	7,022	151	
11	In Stock	968	750	18	
12	Locked Meters on Customers' Premises				
13	Inactive Transformers on System				
14	In Customers' Use	12,525	6,232	133	
15	In Company's Use	49	40		
16	TOTAL End of Year (Total 11 to 15. This should equal line 10)	13,542	7,022	151	



# INDEX

<u>Schedule</u>	<u>Page No.</u>
Accrued and prepaid taxes .....	262-263
Accumulated Deferred Income Taxes .....	234
	272-277
Accumulated provisions for depreciation of	
common utility plant .....	356
utility plant .....	219
utility plant (summary) .....	200-201
Advances	
from associated companies .....	256-257
Allowances .....	228-229
Amortization	
miscellaneous .....	340
of nuclear fuel .....	202-203
Appropriations of Retained Earnings .....	118-119
Associated Companies	
advances from .....	256-257
corporations controlled by respondent .....	103
control over respondent .....	102
interest on debt to .....	256-257
Attestation .....	i
Balance sheet	
comparative .....	110-113
notes to .....	122-123
Bonds .....	256-257
Capital Stock .....	251
expense .....	254
premiums .....	252
reacquired .....	251
subscribed .....	252
Cash flows, statement of .....	120-121
Changes	
important during year .....	108-109
Construction	
work in progress - common utility plant .....	356
work in progress - electric .....	216
work in progress - other utility departments .....	200-201
Control	
corporations controlled by respondent .....	103
over respondent .....	102
Corporation	
controlled by .....	103
incorporated .....	101
CPA, background information on .....	101
CPA Certification, this report form .....	i-ii

# INDEX (continued)

<u>Schedule</u>	<u>Page No.</u>
Deferred	
credits, other .....	269
debits, miscellaneous .....	233
income taxes accumulated - accelerated	
amortization property .....	272-273
income taxes accumulated - other property .....	274-275
income taxes accumulated - other .....	276-277
income taxes accumulated - pollution control facilities .....	234
Definitions, this report form .....	iii
Depreciation and amortization	
of common utility plant .....	356
of electric plant .....	219
	336-337
Directors .....	105
Discount - premium on long-term debt .....	256-257
Distribution of salaries and wages .....	354-355
Dividend appropriations .....	118-119
Earnings, Retained .....	118-119
Electric energy account .....	401
Expenses	
electric operation and maintenance .....	320-323
electric operation and maintenance, summary .....	323
unamortized debt .....	256
Extraordinary property losses .....	230
Filing requirements, this report form	
General information .....	101
Instructions for filing the FERC Form 1 .....	i-iv
Generating plant statistics	
hydroelectric (large) .....	406-407
pumped storage (large) .....	408-409
small plants .....	410-411
steam-electric (large) .....	402-403
Hydro-electric generating plant statistics .....	406-407
Identification .....	101
Important changes during year .....	108-109
Income	
statement of, by departments .....	114-117
statement of, for the year (see also revenues) .....	114-117
deductions, miscellaneous amortization .....	340
deductions, other income deduction .....	340
deductions, other interest charges .....	340
Incorporation information .....	101

# INDEX (continued)

## Schedule

## Page No.

Interest	
charges, paid on long-term debt, advances, etc .....	256-257
Investments	
nonutility property .....	221
subsidiary companies .....	224-225
Investment tax credits, accumulated deferred .....	266-267
Law, excerpts applicable to this report form .....	iv
List of schedules, this report form .....	2-4
Long-term debt .....	256-257
Losses-Extraordinary property .....	230
Materials and supplies .....	227
Miscellaneous general expenses .....	335
Notes	
to balance sheet .....	122-123
to statement of changes in financial position .....	122-123
to statement of income .....	122-123
to statement of retained earnings .....	122-123
Nonutility property .....	221
Nuclear fuel materials .....	202-203
Nuclear generating plant, statistics .....	402-403
Officers and officers' salaries .....	104
Operating	
expenses-electric .....	320-323
expenses-electric (summary) .....	323
Other	
paid-in capital .....	253
donations received from stockholders .....	253
gains on resale or cancellation of reacquired	
capital stock .....	253
miscellaneous paid-in capital .....	253
reduction in par or stated value of capital stock .....	253
regulatory assets .....	232
regulatory liabilities .....	278
Peaks, monthly, and output .....	401
Plant, Common utility	
accumulated provision for depreciation .....	356
acquisition adjustments .....	356
allocated to utility departments .....	356
completed construction not classified .....	356
construction work in progress .....	356
expenses .....	356
held for future use .....	356
in service .....	356
leased to others .....	356
Plant data .....	336-337
	401-429

# INDEX (continued)

<u>Schedule</u>	<u>Page No.</u>
Plant - electric	
accumulated provision for depreciation .....	219
construction work in progress .....	216
held for future use .....	214
in service .....	204-207
leased to others .....	213
Plant - utility and accumulated provisions for depreciation	
amortization and depletion (summary) .....	201
Pollution control facilities, accumulated deferred	
income taxes .....	234
Power Exchanges .....	326-327
Premium and discount on long-term debt .....	256
Premium on capital stock .....	251
Prepaid taxes .....	262-263
Property - losses, extraordinary .....	230
Pumped storage generating plant statistics .....	408-409
Purchased power (including power exchanges) .....	326-327
Reacquired capital stock .....	250
Reacquired long-term debt .....	256-257
Receivers' certificates .....	256-257
Reconciliation of reported net income with taxable income	
from Federal income taxes .....	261
Regulatory commission expenses deferred .....	233
Regulatory commission expenses for year .....	350-351
Research, development and demonstration activities .....	352-353
Retained Earnings	
amortization reserve Federal .....	119
appropriated .....	118-119
statement of, for the year .....	118-119
unappropriated .....	118-119
Revenues - electric operating .....	300-301
Salaries and wages	
directors fees .....	105
distribution of .....	354-355
officers' .....	104
Sales of electricity by rate schedules .....	304
Sales - for resale .....	310-311
Salvage - nuclear fuel .....	202-203
Schedules, this report form .....	2-4
Securities	
exchange registration .....	250-251
Statement of Cash Flows .....	120-121
Statement of income for the year .....	114-117
Statement of retained earnings for the year .....	118-119
Steam-electric generating plant statistics .....	402-403
Substations .....	426
Supplies - materials and .....	227





# INDEX (continued)

## Schedule

## Page No.

### Taxes

accrued and prepaid .....	262-263
charged during year .....	262-263
on income, deferred and accumulated .....	234
	272-277
reconciliation of net income with taxable income for .....	261

Transformers, line - electric .....	429
-------------------------------------	-----

### Transmission

lines added during year .....	424-425
lines statistics .....	422-423
of electricity for others .....	328-330
of electricity by others .....	332

### Unamortized

debt discount .....	256-257
debt expense .....	256-257
premium on debt .....	256-257

Unrecovered Plant and Regulatory Study Costs .....	230
--	-----

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report
Northwestern Wisconsin Electric Company			December 31, 2002

**LIST OF SUPPLEMENTARY SCHEDULES**

Enter in column (d) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages.

Omit pages where the responses are "none," "not applicable," or "NA."

Title of Schedule (a)	Reference Page No. (b)	Date Revised (c)	Remarks (d)
<b>FINANCIAL SECTION</b>			
Return On Common Equity	F-9	Ed. 12-89	
Return On Rate Base Computation	F-10	Ed. 12-89	
Construction Overheads	F-16	Ed. 12-89	
Completed Construction Cleared	F-16	Ed. 12-89	
Investments & Funds (Accts. 123-128, incl.)	F-18	Ed. 12-89	
Accounts Receivable	F-19	Ed. 12-89	
Accumulated Provision for Uncollectible Accounts	F-20	Ed. 12-89	
Miscellaneous Current & Accrued Assets	F-22	Ed. 12-89	None
Unamortized Debt Discount & Expense	F-24	Ed. 12-89	
And Unamortized Premium On Debt	F-25	Ed. 12-89	
Notes Payable (Acct. 231)	F-33	Ed. 12-89	
Miscellaneous Current & Accrued Liabilities	F-34	Ed. 12-89	
Distribution Of Taxes To Accounts	F-36	Ed. 12-89	
Interest & Dividend Income (Acct. 419)	F-43	Ed. 12-89	
Detail Of Certain General Expense Accounts	F-50	Ed. 12-89	
Common Utility Plant and Accumulated Depreciation	F-52	Ed. 12-89	None
<b>ELECTRIC OPERATING SECTION</b>			
Electric Expenses	E-1	Ed. 12-89	
Sales to Ultimate Consumers	E-2	Ed. 12-89	
Power Adjustment Clause	E-5	Ed. 12-89	
Other Electric Operating Revenues	E-17	Ed. 12-89	
Accum. Provision for Depreciation of Plant in Service	E-24	Ed. 12-89	
Monthly Peaks & Output	E-29	Ed. 12-89	
Unit Fuel Statistics - Steam Power	E-36	Ed. 12-89	NA
Coal Contract Information	E-40	Ed. 12-89	NA
Electric Distribution Lines	E-63	Ed. 12-89	
Names of Cities, Villages, Towns	E-66	Ed. 12-89	
Electric System Map	E-68	Ed. 12-89	
<b>GAS OPERATING SECTION</b>			
Names of Cities, Villages, Towns	G-1	Ed. 12-89	NA
Gas Operating Revenues & Expenses	G-3	Ed. 12-89	NA
Revenues From Sales Of Gas	G-4	Ed. 12-89	NA
Other Operating Revenues (Accts. 487-495)	G-6	Ed. 12-89	NA
Gas Operation & Maintenance Expenses	G-7	Ed. 12-89	NA
Gas Utility Plants In Service	G-10	Ed. 12-89	NA
Accumulated Provision For Depreciation (Acct. 108)	G-12	Ed. 12-89	NA
Gas Production Statistics	G-14	Ed. 12-89	NA
Gas Holders	G-14	Ed. 12-89	NA
Liquid Petroleum Gas Storage	G-14	Ed. 12-89	NA
Liquified Natural Gas Stored (Acct. 165)	G-15	Ed. 12-89	NA
Liquified Natural Gas Storage Statistics	G-15	Ed. 12-89	NA
Summary Of Gas Account	G-16	Ed. 12-89	NA
Summary Of System Load Statistics	G-16	Ed. 12-89	NA
Purchased Gas	G-18	Ed. 12-89	NA
Gas Mains By Types & Size	G-20	Ed. 12-89	NA
Gas Services (Located In Wisconsin)	G-21	Ed. 12-89	NA
Gas Services (Located Outside Wisconsin)	G-21	Ed. 12-89	NA
Gas Meters	G-22	Ed. 12-89	NA



## RETURN ON COMMON EQUITY AND COMMON EQUITY PLUS ITC COMPUTATIONS

Note: Report on a corporate basis only; not consolidated. If you file monthly rate of return forms with the PSC, use the same method for completing this form. Use the average of the 12 monthly averages when computing average common equity.

Description (a)		Thousands	of Dollars
		Common Equity (b)	Common Equity plus ITC (c)
Common Stock Outstanding	based on monthly averages if available	6,196,000	6,196,000
Premium on Capital Stock			
Capital Stock Expense		3,067,912	3,067,912
Retained Earnings			
Deferred Investment Tax Credit (Only common equity portion if Form PSC-AF6 is filed on monthly basis with the Commission)			139,931
Other (Specify):			
Total Average Common Stock Equity plus Deferred Investment Credit (sum of lines 14 thru 25)		9,263,912	9,403,843
Net Income			
Add: Net Income		1,150,842	1,150,842
Other (Specify):			
Less: Preferred Dividends			
Other (Specify): (If Form PSC-AF6 is filed with the Commission, net income must be reduced by that portion of net income representing debt cost of deferred investment tax credit as shown on the form.)			
Adjusted Net Income		1,150,842	1,150,842
Percent return (line 43 divided by line 27 to the nearest hundredth of a percent)		12.42%	12.24%

May not cross-check due to rounding.



## RETURN ON RATE BASE COMPUTATION

Note: Report on a corporate basis only; not consolidated. If you file monthly rate of return forms with the PSC, use the same method for completing this form. Use the average of the 12 monthly averages when computing the rate base.

Thousands of Dollars				
Average Rate Base (a)	Electric (b)	Gas (c)	Other (d)	Total (e)
Add Average:				
Utility Plant In Service	36,114,938			36,114,938
Allocation Of Common Plant				0
Completed Construction not Classified	836,593			836,593
Nuclear Fuel				0
Materials and Supplies	631,909			631,909
Other (Specify):				0
				0
Less Average:				
Reserve for Depreciation	13,529,789			13,529,789
Amortization Reserves				0
Customer Advances For Construction	26,351			26,351
Contribution in Aid of Construction				0
Other (Specify):				0
				0
Average Net Rate Base	24,027,300	0	0	24,027,300
RETURN				
Total Operating Income	2,057,825			2,057,825
Less: (Specify):				0
				0
				0
Adjusted Operating Income	2,057,825	0	0	2,057,825
Adjusted Operating Income As A Percent Of Average Net Rate Base (Rounded To Nearest Hundredth of a Percent)	8.56%	0.00%	0.00%	8.56%

## REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

Report data necessary to calculate revenue subject to Wisconsin remainder assessment. For purposes of this schedule "out-of-state" and "in-state" refer to the geographic state of Wisconsin

Description (a)	This Year (b)
Operating revenues	14,335,998
Less: out-of-state operating revenues	(50,009)
Less: in-state interdepartmental sales	
Less: current year write-offs of uncollectible accounts	
Wisconsin utility customers only	(30,218)
Plus: current year collection of Wisconsin utility customer accounts previously written off	2,199
Other	
Revenues subject to Wisconsin remainder assessment	14,257,970

May not cross-check due to rounding.

## CONSTRUCTION OVERHEADS

Report hereunder the total overheads and the total direct cost of construction for the year. Projects under \$1,000,000 for class A utilities and \$500,000 for class B utilities, should be grouped by utility department and function.

## ANNUAL CHARGES

Project Description (a)	Direct Charges			
	Company Labor (b)	Company Materials (c)	Contractor Payments (d)	Other (e)
Additions to Electric Plant	718,383	633,606	940,778	155,900
Total	718,383	633,606	940,778	155,900
% Of Total Direct Charges	29.3	25.9	38.4	6.4

## COMPLETED CONSTRUCTION CLEARED

Report hereunder the total cost of completed construction projects cleared from account 107 during the year. Projects under \$1,000,000 for class A utilities and \$500,000 for class B utilities, should be grouped by utility department and function.

Project Description (a)	Direct Charges			
	Company Labor (b)	Company Materials (c)	Contractor Payments (d)	Other (e)
Additions to Electric Plant	735,210	556,932	1,627,147	161,447
Total	735,210	556,932	1,627,147	161,447
% Of Total Direct Charges	23.9	18.1	52.8	5.2

May not cross-check due to rounding.



### CONSTRUCTION OVERHEADS (Continued)

Report hereunder the total overheads and the total direct cost of construction for the year. Projects under \$1,000,000 for class A utilities and \$500,000 for class B utilities, should be grouped by utility department and function.

[illegible]

**COMPLETED CONSTRUCTION CLEARED (Continued)**

Report hereunder the total cost of completed construction projects cleared from account 107 during the year. Projects under \$1,000,000 for class A utilities and \$500,000 for class B utilities, should be grouped by utility department and function.

	Overheads				
Total Direct Charges (f)	Engineering & Supervision (g)	Administration and General (h)	Allowance for Funds Used (i)	Taxes & Other (j)	Total Columns (f+g+h+i+j) (k)
3,080,736		100,572		162,376	3,343,684
					0
					0
					0
					0
					0
					0
					0
					0
					0
3,080,736	0	100,572	0	162,376	3,343,684
	0.0	3.3	0.0	5.3	

May not cross-check due to rounding.



INVESTMENTS AND FUNDS (ACCTS. 123-128, incl.)

1. Report, with separate subheadings for each account the securities owned by the utility; include date of issue and date of maturity in description of any debt securities owned. Designate any securities pledged and explain purpose of pledge in footnote. Minor investments included in Acct. 124 may be grouped by classes.
2. Report separately each fund account showing nature of assets included therein and list any securities included in fund accounts.

Issuing Company And Type of Security (a)	Interest or Divid- end Rate (b)	Par Value per Share (c)	No. of Shares or Principal amount (d)	Book Cost End Of Year (e)
Northwestern Energy Services, Inc. - Common Stock (A/C 123)	N/A	\$ 1.00	100	10,000
Burnett Dairy Cooperative Cooperative Equities (A/C 124)	N/A	N/A	9,824	10,813
Total				9,924
				20,813

May not cross-check due to rounding.



## ACCOUNTS RECEIVABLE (Accts. 142-143)

Particulars (a)	Amount end of year (b)	
Customer accounts receivable (142):		
Electric department	1,188,469	
Gas department		
Water department		
Other-		
Total utility service	1,188,469	
Merchandising, jobbing and contract work		
Total (Acct. 142)	1,188,469	
Other accounts receivable (143):		
Officers and employees		
Subscriptions to capital stock		
All other (List separately only the large or unusual items):		
Accounts Receivable - Miscellaneous	129,596	
Accounts Receivable - Northwestern Energy Services, Inc.	7,058	
Accounts Receivable - Atlas Substation Transformer	5,459	
Accounts Receivable - North Central Power Co., Inc.	4,635	
Accounts Receivable - Dahlberg Light and Power Company	4,722	
TOTAL (ACCT. 143)	151,470	
	1,339,939	

May not cross-check due to rounding



## ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS - CR (Acct. 144)

Particulars (a)	Electric Utility Customers (b)	Gas Utility Customers (c)	Other Customers (d)	Total Utility Customers (e)	
Balance first of year	10,000			10,000	4
Add: Provision for uncollectibles during year	29,718			29,718	5
Collection of accounts written off	2,199			2,199	6
other credits (explain):	0			0	7
Total credits	31,917	0	0	31,917	8
Less: Accounts written off	30,217			30,217	9
other debits (explain):				0	10
Total debits	30,217	0	0	30,217	11
Balance end of year	11,700	0	0	11,700	12

## ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS - CR (Acct. 144)(cont.)

Particulars (a)	Total Utility Customers (g)	Officers & Employees (h)	Other (i)	Total (j)	
Balance first of year	10,000			10,000	19
Add: Provision for uncollectibles during year	29,718			29,718	20
Collection of accounts written off	2,199			2,199	21
other credits (explain):	0			0	22
Total credits	31,917	0	0	31,917	23
Less: Accounts written off	30,217			30,217	24
other debits (explain):	0			0	25
Total debits	30,217	0	0	30,217	26
Balance end of year	11,700	0	0	11,700	27
Loss on Wisconsin utility accounts:					28
Accounts written off				30,217	29
Collection of such accounts previously written off				2,199	30
Net loss				28,018	31

Notes to explain "other" on lines 11, 14, 26 &amp; 29 above:

## UNAMORTIZED DEBT DISCOUNT AND EXPENSE

Report below the particulars called for with respect to the unamortized debt discount and expense or net premium applicable to each class and series of long-term debt. Show separately any unamortized debt discount and expense or call premiums applicable to refunded issues, including separate subtotal therefor. Show in column (a) the method of amortization for each amount of debt discount and expense or premium. In column (b) show principal amount of debt on which the total discount and expense or premium, shown in column (c), was incurred.

Explain any charges or credits in column (e) and (f) other than amortization in Acct. 428 or 429.

Debt to which related (a)	Prin amt. of debt to which disc. and exp. or net premiums relate (b)	Total discount and expense or (net premiums) (c)
Unamortized debt discount and expense (181):		
SERIES H BONDS	2,500,000	15,073
SERIES I BONDS	5,000,000	60,325
SERIES J BONDS	4,500,000	73,814
SERIES K BONDS	3,500,000	42,816
Total	15,500,000	192,028
Unamortized premium on debt (251):		
None		
Total		

May not cross-check due to rounding.



## AND UNAMORTIZED PREMIUM ON DEBT (Accts. 181,251)

Report below the particulars called for with respect to the unamortized debt discount and expense or net premium applicable to each class and series of long-term debt. Show separately any unamortized debt discount and expense or call premiums applicable to refunded issues, including separate subtotal therefor. Show in column (a) the method of amortization for each amount of debt discount and expense or premium. In column (b) show principal amount of debt on which the total discount and expense or premium, shown in column (c), was incurred.

Explain any charges or credits in column (e) and (f) other than amortization in Acct. 428 or 429.

Balance first of year (d)	Charges during year (e)	Credits during year (f)	Balance end of year (g)
0	0	0	0
29,891	0	4,030	25,861
55,769	0	4,921	50,848
6,065	42,816	7,731	41,150
91,725	42,816	16,682	117,859

May not cross-check due to rounding.



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## NOTES PAYABLE (Acct. 231)

Name of payee and purpose for which issued (a)	Date of note (b)	Date of maturity (c)	Interest rate (d)	Balance end of year (e)
Firststar Bank Wisconsin Revolving Line of Credit - \$3,000,000	5/19/02	5/18/03	Rate Equal to 1/2% less than base rate of Firststar Bank - Milwaukee	0
National Bank of Commerce Revolving Line of Credit - \$2,000,000	5/19/02	5/18/03	Rate Equal to base rate of Firststar Bank - Milwaukee	0
Demand Notes (See List Attached)			4.5%	2,959,000
Total				2,959,000

May not cross-check due to rounding.



1

NORTHWESTERN WISCONSIN ELECTRIC CO.  
DEMAND NOTES - PAYABLE APRIL 15 and OCTOBER 15

Dec 31, 2002

NAME OF PAYEE	DATE OF NOTE	INTEREST RATE	AMOUNT
HELEN E BAKER P.O.D. MARLYS M OLSON 116 EAST WISCONSIN AVENUE GRANTSBURG WI 548407885	12032001	4.5%	5000.00
HELEN E BAKER P.O.D. MARLYS M OLSON 116 EAST WISCONSIN AVENUE GRANTSBURG WI 548407885	05202002	4.5%	5000.00
VELVA T BAUER P.O.D. PRISCILLA A BAUER 13204 ASSEMBLY ROAD GRANTSBURG WI 548408706	11151999	4.5%	25000.00
VELVA T BAUER P.O.D. PRISCILLA A BAUER 13204 ASSEMBLY ROAD GRANTSBURG WI 548408706	04182000	4.5%	5000.00
VELVA T BAUER P.O.D. PRISCILLA A BAUER 13204 ASSEMBLY ROAD GRANTSBURG WI 548408706	07122000	4.5%	5000.00
LINDA B BAUM POD:WENDY R DAMEWOOD & WANDA R JORGENSEN 8645 OLSEN ROAD WEBSTER WI 548937414	08192002	4.5%	6000.00
BRUCE E BENEDICT 23940 GREY FOX LANE GRANTSBURG WI 548408551	10221999	4.5%	10000.00
JEAN A BENEDICT 23940 GREY FOX LANE GRANTSBURG WI 548408551	10221999	4.5%	20000.00
JEAN A BENEDICT 23940 GREY FOX LANE GRANTSBURG WI 548408551	08022000	4.5%	10000.00
BETHANY LUTHERAN CHURCH-LE VANDE C/O DOLORES E JOHNSON, TREAS PO BOX 67 GRANTSBURG WI 548400067	FUND 07242000	4.5%	5000.00
BETHANY LUTHERAN CHURCH PARSONAG C/O DOLORES E JOHNSON, TREASURER PO BOX 67 GRANTSBURG WI 548400067	11132000	4.5%	64000.00
ARTHUR H BISTRAM OR PAULINE M BISTRAM, JT TEN 14677 BISTRAM ROAD GRANTSBURG WI 54840	11121999	4.5%	15000.00

NORTHWESTERN WISCONSIN ELECTRIC CO.  
DEMAND NOTES - PAYABLE APRIL 15 and OCTOBER 15

Dec 31, 2002

NAME OF PAYEE	DATE OF NOTE	INTEREST RATE	AMOUNT
ARTHUR H BISTRAM OR PAULINE M BISTRAM, JT TEN 14677 BISTRAM ROAD GRANTSBURG WI 54840	12102001	4.5%	11000.00
HILDUR E BLOMBERG 371 WEST WISCONSIN AVENUE GRANTSBURG WI 548407818	10081999	4.5%	85000.00
HILDUR E BLOMBERG 371 WEST WISCONSIN AVENUE GRANTSBURG WI 548407818	04192002	4.5%	40000.00
HELEN M BONNEVILLE P.O.D. LINDA D ODEGARD 13967 STATE ROAD 70 GRANTSBURG WI 548408501	04202000	4.5%	20000.00
HELEN M BONNEVILLE P.O.D. LINDA D ODEGARD 13967 STATE ROAD 70 GRANTSBURG WI 548408501	04292002	4.5%	20000.00
CARL A BORUP OR ARLENE M BORUP, JT TEN 514 RAYMOND STREET SOMERSET WI 54025	02282002	4.5%	15000.00
CARL A BORUP OR ARLENE M BORUP, JT TEN 514 RAYMOND STREET SOMERSET WI 54025	05032002	4.5%	11000.00
JUDY J BRENHOLT OR LEIGHTON R BRENHOLT, JT TEN 2408 230TH STREET CUSHING WI 540063617	10151999	4.5%	6000.00
JUDY J BRENHOLT OR LEIGHTON R BRENHOLT, JT TEN 2408 230TH STREET CUSHING WI 540063617	04242001	4.5%	54000.00
LORETTA M BROWN P.O.D. THOMAS E BROWN, MD 206 EAST BURNETT AVENUE GRANTSBURG WI 548407902	11221999	4.5%	5000.00
CARMEN M BURFORD AND GERALDINE M ANDREWS, JT TEN PO BOX 508 WEBSTER WI 548930508	01172001	4.5%	8000.00
KATHLEEN A CHRISTENSEN 555 NORTH ROBERT STREET GRANTSBURG WI 548407410	10081999	4.5%	10000.00

NORTHWESTERN WISCONSIN ELECTRIC CO.  
DEMAND NOTES - PAYABLE APRIL 15 and OCTOBER 15

Dec 31, 2002

NAME OF PAYEE	DATE OF NOTE	INTEREST RATE	AMOUNT
KATHLEEN A CHRISTENSEN 555 NORTH ROBERT STREET GRANTSBURG WI 548407410	03212001	4.5%	5000.00
ALWIN S CHRISTOPHERSON OR IMOGENE M CHRISTOPHERSON, JT TEN PO BOX 3 GRANTSBURG WI 548400003	10161999	4.5%	5000.00
ALWIN S CHRISTOPHERSON OR IMOGENE M CHRISTOPHERSON, JT TEN PO BOX 3 GRANTSBURG WI 548400003	04182002	4.5%	5000.00
ALWIN S CHRISTOPHERSON OR IMOGENE M CHRISTOPHERSON, JT TEN PO BOX 3 GRANTSBURG WI 548400003	12072001	4.5%	5000.00
ALWIN S CHRISTOPHERSON OR IMOGENE M CHRISTOPHERSON, JT TEN PO BOX 3 GRANTSBURG WI 548400003	12072001	4.5%	5000.00
DEBORAH A CLEMENTSON PO BOX 92 GRANTSBURG WI 548400092	10051999	4.5%	5000.00
DEBORAH A CLEMENTSON PO BOX 92 GRANTSBURG WI 548400092	10062000	4.5%	10000.00
DENNIS E DAHL OR KAREN L DAHL, JT TEN PO BOX 474 GRANTSBURG WI 548400474	11292001	4.5%	10000.00
ANDREW D DAHLBERG 303 SOUTH PARK STREET GRANTSBURG WI 548407854	05302002	4.5%	8000.00
CAROLYN A DAHLBERG P.O.D. CRYSTAL A ANDERSON 1525 SCRIBNER STREET SPOONER WI 54801	06022000	4.5%	20000.00
CAROLYN A DAHLBERG P.O.D. GARY L DAHLBERG 1525 SCRIBNER STREET SPOONER WI 54801	06022000	4.5%	20000.00
CAROLYN A DAHLBERG P.O.D. JAMES D DAHLBERG 1525 SCRIBNER STREET SPOONER WI 54801	06022000	4.5%	20000.00

NORTHWESTERN WISCONSIN ELECTRIC CO.  
DEMAND NOTES - PAYABLE APRIL 15 and OCTOBER 15

Dec 31, 2002

NAME OF PAYEE	DATE OF NOTE	INTEREST RATE	AMOUNT
CAROLYN A DAHLBERG P.O.D. JUDITH K FORTUNA 1525 SCRIBNER STREET SPOONER WI 54801	06022000	4.5%	20000.00
KATHRYN R DAHLBERG DAVID M DAHLBERG, GUARDIAN FOR SPEC ACCT 303 SOUTH PARK STREET GRANTSBURG WI 548407854	03262002	4.5%	5000.00
MARK F DAHLBERG OR MAUDE C DAHLBERG, JT TEN 352 WEST SKYLINE DRIVE GRANTSBURG WI 548407842	01032002	4.5%	30000.00
MARK F DAHLBERG OR MAUDE C DAHLBERG, JT TEN 352 WEST SKYLINE DRIVE GRANTSBURG WI 548407842	07172000	4.5%	65000.00
MARK F DAHLBERG OR MAUDE C DAHLBERG, JT TEN 352 WEST SKYLINE DRIVE GRANTSBURG WI 548407842	09152000	4.5%	12000.00
MARK F DAHLBERG OR MAUDE C DAHLBERG, JT TEN 352 WEST SKYLINE DRIVE GRANTSBURG WI 548407842	07272001	4.5%	24000.00
MAUDE C DAHLBERG OR MARK F DAHLBERG, JT TEN 352 WEST SKYLINE DRIVE GRANTSBURG WI 548407842	04252002	4.5%	7000.00
CURTIS L FALLSTROM AND SUSAN I FALLSTROM HUSBAND & WIFE AS 9475 DANIELS 70 MARITAL PROP W/O R.O.S. SIREN WI 54872	03202002	4.5%	40000.00
CURTIS L FALLSTROM AND SUSAN I FALLSTROM, HUSBAND & WIFE AS 9475 DANIELS 70 MARITAL PROP W/O R.O.S. SIREN WI 54872	04242000	4.5%	40000.00
CURTIS L FALLSTROM AND SUSAN I FALLSTROM, HUSBAND & WIFE AS 9475 DANIELS 70 MARITAL PROP W/O R.O.S. SIREN WI 54872	04112001	4.5%	5000.00
CURTIS L FALLSTROM OR SUSAN I FALLSTROM, JT TEN 9475 DANIELS 70 SIREN WI 54872	06212001	4.5%	20000.00
JOHN A FALLSTROM OR JANICE E FALLSTROM, JT TEN 476 EAST MADISON AVENUE GRANTSBURG WI 548407422	01092001	4.5%	10000.00



NORTHWESTERN WISCONSIN ELECTRIC CO.  
DEMAND NOTES - PAYABLE APRIL 15 and OCTOBER 15

Dec 31, 2002

NAME OF PAYEE	DATE OF NOTE	INTEREST RATE	AMOUNT
JOHN A FALLSTROM OR JANICE E FALLSTROM, JT TEN 476 EAST MADISON AVENUE GRANTSBURG WI 548407422	06062002	4.5%	5000.00
JOHN A FALLSTROM OR JANICE E FALLSTROM, JT TEN 476 EAST MADISON AVENUE GRANTSBURG WI 548407422	07302002	4.5%	12000.00
BEVERLY K FINCH 514 SOUTH ROBERT STREET GRANTSBURG WI 548407954	01092001	4.5%	5000.00
GRANTSBURG INDUSTRIAL DEVELOPMEN C/O DAVID M DAHLBERG, SECRETARY & TREAS PO BOX 9 GRANTSBURG WI 548400009	12101999	4.5%	20000.00
GRANTSBURG INDUSTRIAL DEVELOPMEN C/O DAVID M DAHLBERG, SECRETARY & TREAS. PO BOX 9 GRANTSBURG WI 548400009	10312000	4.5%	10000.00
GRANTSBURG-FALUN LUMBER TRANSPOR C/O JOHN A FALLSTROM 476 EAST MADISON AVENUE GRANTSBURG WI 54840	01172002	4.5%	40000.00
GRANTSBURG-FALUN LUMBER TRANSPOR C/O JOHN A FALLSTROM 476 EAST MADISON AVENUE GRANTSBURG WI 54840	04112000	4.5%	35000.00
PEARL A HEDLUND POD PAUL G HEDLUND, SUSAN C AUGUSTSON, & 116 W ST GEORGE AV MARY HEDLUND-BLOMBERG GRANTSBURG WI 548407961	10181999	4.5%	10000.00
STANLEY A HELLAND OR VIOLETTE E HELLAND, JT TEN POD GARY, 9686 STATE ROAD 70 S JAMES, MIKAL HELLAND SIREN WI 548728533	05302000	4.5%	5000.00
CONSTANCE A HUNT PO BOX 138 SIREN WI 548720138	04152002	4.5%	5000.00
MARILENE R JENSEN OR DANIEL L JENSEN, JT TEN 1940 250TH AVENUE - COUNTY ROAD N LUCK WI 548533705	04242001	4.5%	34000.00
MARILENE R JENSEN OR DANIEL L JENSEN, JT TEN 1940 250TH AVENUE, COUNTY ROAD N LUCK WI 548533705	09272002	4.5%	15000.00

NORTHWESTERN WISCONSIN ELECTRIC CO.  
DEMAND NOTES - PAYABLE APRIL 15 and OCTOBER 15

Dec 31, 2002

NAME OF PAYEE	DATE OF NOTE	INTEREST RATE	AMOUNT
HARVEY L JOHNSON OR DOLORES E JOHNSON, JT TEN PO BOX 67 GRANTSBURG WI 548400067	10051999	4.5%	20000.00
HARVEY L JOHNSON OR DOLORES E JOHNSON, JT TEN PO BOX 67 GRANTSBURG WI 548400067	10111999	4.5%	25000.00
HARVEY L JOHNSON OR DOLORES E JOHNSON, JT TEN PO BOX 67 GRANTSBURG WI 548400067	05172000	4.5%	10000.00
HARVEY L JOHNSON OR DOLORES E JOHNSON, JT TEN PO BOX 67 GRANTSBURG WI 548400067	02122001	4.5%	25000.00
LA VERN L JOHNSON P.O.D. LEONARD F JOHNSON 29325 COUNTY ROAD H DANBURY WI 548307504	09212001	4.5%	50000.00
LA VERN L JOHNSON OR MARGARET E JOHNSON, JT TEN 29325 COUNTY ROAD H DANBURY WI 548307504	01042002	4.5%	50000.00
LEONARD F JOHNSON OR BERNICE L JOHNSON, JT TEN 29239 COUNTY ROAD H DANBURY WI 548307500	12182001	4.5%	15000.00
NORMAN G JOHNSON OR BONITA M BEER-JOHNSON, JT TEN 10703 WICKLUND ROAD SIREN WI 548728532	06272001	4.5%	10000.00
VERNON A JOHNSON P.O.D. LEONARD F JOHNSON 29299 COUNTY ROAD H DANBURY WI 548307500	09212001	4.5%	50000.00
FLOYD W LANG OR MARIAM E LANG, JT TEN 22650 LANG ROAD GRANTSBURG WI 54840	10251999	4.5%	10000.00
FLOYD W LANG OR MARIAM E LANG, JT TEN POD JULIAN K 22650 LANG ROAD LANG GRANTSBURG WI 54840	11172000	4.5%	10000.00
FRANCIS W LAQUA OR JEANETTE A LAQUA, JT TEN 7726 CLEAR LAKE STREET SIREN WI 54872	04012002	4.5%	120000.00

NORTHWESTERN WISCONSIN ELECTRIC CO.  
DEMAND NOTES - PAYABLE APRIL 15 and OCTOBER 15

Dec 31, 2002

NAME OF PAYEE	DATE OF NOTE	INTEREST RATE	AMOUNT
GERALD P LAQUA OR MARLENE J LAQUA, JT TEN 504 BENSON ROAD NORTH FREDERIC WI 548378946	04012002	4.5%	200000.00
DOUGLAS W LARSON OR PHYLLIS A LARSON, JT TEN 529 NORTH PINE STREET GRANTSBURG WI 548407429	06182001	4.5%	60000.00
DOUGLAS W LARSON OR PHYLLIS A LARSON, JT TEN 529 NORTH PINE STREET GRANTSBURG WI 548407429	06182001	4.5%	6000.00
DOUGLAS W LARSON OR PHYLLIS A LARSON, JT TEN 529 NORTH PINE STREET GRANTSBURG WI 548407429	10222001	4.5%	5000.00
ELDORA C LARSON P.O.D. HELEN E BAKER 623 SOUTH CHURCH STREET GRANTSBURG WI 548407867	05082000	4.5%	5000.00
ELDORA C LARSON P.O.D. HELEN E BAKER 623 SOUTH CHURCH STREET GRANTSBURG WI 548407867	12042000	4.5%	5000.00
ELDORA C LARSON P.O.D. HELEN E BAKER 623 SOUTH CHURCH STREET GRANTSBURG WI 548407867	12032001	4.5%	5000.00
U.S. BANCORP PIPER JAFFRAY, CUST FBO/HARLEY D LINDUS IRA A/C #52501361 106 EAST CHESTNUT STREET STILLWATER MN 55082	12221999	4.5%	89000.00
HARLEY D LINDUS AND/OR LOIS A LINDUS, JT TEN 23338 STOLTZ ROAD GRANTSBURG WI 54840	05172001	4.5%	50000.00
LOIS A LINDUS AND/OR HARLEY D LINDUS, JT TEN 23338 STOLTZ ROAD GRANTSBURG WI 54840	05172001	4.5%	50000.00
LOIS A LINDUS AND/OR HARLEY D LINDUS, JT TEN 23338 STOLTZ ROAD GRANTSBURG WI 54840	05172001	4.5%	50000.00
LA VERNE G MILLER OR EVELYN L MILLER, JT TEN 402 EAST ASH STREET FREDERIC WI 548378913	10071999	4.5%	10000.00

NORTHWESTERN WISCONSIN ELECTRIC CO.  
DEMAND NOTES - PAYABLE APRIL 15 and OCTOBER 15

Dec 31, 2002

NAME OF PAYEE	DATE OF NOTE	INTEREST RATE	AMOUNT
RUDOLPH W MOTHES OR RUTH A MOTHES, JT TEN 7731 WEST STATE ROAD 70 SIREN WI 548728224	02152002	4.5%	30000.00
MARIAN A NELSON POD: LEE C & PAUL E MOYER & RAMONA MOODY 13033 STATE ROAD 70 GRANTSBURG WI 548408605	08162002	4.5%	12000.00
RICHARD A NELSON 13324 SOLNESS ROAD GRANTSBURG WI 548408710	01042001	4.5%	5000.00
CHRISTOPHER Q OLSON AND DAVID R OLSON, JT TEN 805 24 1/2 AVENUE - HIGHWAY B CUMBERLAND WI 54829	04222002	4.5%	12000.00
DAVID R OLSON POD: JENNIFER O HYATT, DAVID W T OLSON & 805 24 1/2 AVE-HWY B CHRISTOPHER Q OLSON CUMBERLAND WI 548299237	11041999	4.5%	30000.00
DAVID R OLSON POD: JENNIFER O HYATT, DAVID W T OLSON & 805 24 1/2 AVE-HWY B CHRISTOPHER Q OLSON CUMBERLAND WI 54829	08282000	4.5%	20000.00
ETHEL E OLSON P.O.D. JO ANN E CLARK AND DAVID R OLSON 412 SOUTH ARLINGTON BOULEVARD AMERY WI 540011604	10141999	4.5%	10000.00
ETHEL E OLSON P.O.D. JO ANN E CLARK AND DAVID R OLSON 412 SOUTH ARLINGTON BOULEVARD AMERY WI 540011604	04242002	4.5%	50000.00
GERALD G PARDUN OR LOIS R PARDUN, JT TEN 30245 ELIOT JOHNSON DRIVE DANBURY WI 548309506	02012001	4.5%	265000.00
ROBERT W PARDUN 8645 OLSEN ROAD WEBSTER WI 548937414	03082001	4.5%	40000.00
ROBERT W PARDUN 8645 OLSEN ROAD WEBSTER WI 548937414	05092002	4.5%	5000.00
ROBERT W PARDUN 8645 OLSEN ROAD WEBSTER WI 548937414	07262001	4.5%	5000.00

NORTHWESTERN WISCONSIN ELECTRIC CO.  
DEMAND NOTES - PAYABLE APRIL 15 and OCTOBER 15

Dec 31, 2002

NAME OF PAYEE	DATE OF NOTE	INTEREST RATE	AMOUNT
ROBERT W PARDUN 8645 OLSEN ROAD WEBSTER WI 548937414	08302001	4.5%	5000.00
ROBERT W PARDUN 8645 OLSEN ROAD WEBSTER WI 548937414	10252001	4.5%	5000.00
ROBERT W PARDUN 8645 OLSEN ROAD WEBSTER WI 548937414	08192002	4.5%	7000.00
ROBERT J RANTALA OR VELVET A RANTALA, JT TEN PO BOX 206 GRANTSBURG WI 548400206	03072001	4.5%	56000.00
ROBERT J RANTALA OR VELVET A RANTALA, JT TEN PO BOX 206 GRANTSBURG WI 548400206	10042002	4.5%	5000.00
FREDERIC J RENMAN OR NANCY J RENMAN, JT TEN 7663 EAST COUNTY ROAD V SOUTH RANGE WI 548748622	03162001	4.5%	6000.00
FREDERICK J RENMAN OR NANCY J RENMAN, JT TEN 7663 EAST COUNTY ROAD V SOUTH RANGE WI 548748622	01212000	4.5%	9000.00
FREDERICK J RENMAN OR NANCY J RENMAN, JT TEN 7663 EAST COUNTY ROAD V SOUTH RANGE WI 548748622	11282000	4.5%	8000.00
AUDREY A RICHARDS OR THOMAS D RICHARDS, JT TEN PO BOX 468 GRANTSBURG WI 548400468	12062000	4.5%	5000.00
RUSSELL C SATTERLUND OR ALENE M SATTERLUND, JT TEN 319 EAST BENSON AVENUE GRANTSBURG WI 548407405	09262000	4.5%	5000.00
RUSSELL C SATTERLUND OR ALENE M SATTERLUND, JT TEN 319 EAST BENSON AVENUE GRANTSBURG WI 548407405	03012001	4.5%	10000.00
RUSSELL C SATTERLUND OR ALENE M SATTERLUND, JT TEN 319 EAST BENSON AVENUE GRANTSBURG WI 548407405	07172001	4.5%	10000.00

NORTHWESTERN WISCONSIN ELECTRIC CO.  
DEMAND NOTES - PAYABLE APRIL 15 and OCTOBER 15

Dec 31, 2002

NAME OF PAYEE	DATE OF NOTE	INTEREST RATE	AMOUNT
ALVIN J SCHOMMER OR DOROTHY C SCHOMMER, JT TEN 3582 150TH STREET FREDERIC WI 548374420	11011999	4.5%	30000.00
ALVIN J SCHOMMER OR DOROTHY C SCHOMMER, JT TEN 3582 150TH STREET FREDERIC WI 548374420	11021999	4.5%	18000.00
ALVIN J SCHOMMER OR DOROTHY C SCHOMMER, JT TEN 3582 150TH STREET FREDERIC WI 548374420	12182000	4.5%	10000.00
ALVIN J SCHOMMER OR DOROTHY C SCHOMMER, JT TEN 3582 150TH STREET FREDERIC WI 548374420	01222001	4.5%	10000.00
ALVIN J SCHOMMER OR DOROTHY C SCHOMMER, JT TEN 3582 150TH STREET FREDERIC WI 548374420	02282001	4.5%	10000.00
ALVIN J SCHOMMER OR DOROTHY C SCHOMMER, JT TEN 3582 150TH STREET FREDERIC WI 548374420	03212001	4.5%	25000.00
ALVIN J SCHOMMER OR DOROTHY C SCHOMMER, JT TEN 3582 150TH STREET FREDERIC WI 548374420	06012001	4.5%	5000.00
CHARLES W SCOTKA OR BESSIE M SCOTKA, JT TEN C/O PATRICIA PO BOX 542 A WILLIAMS MANZANITA OR 971300542	10251999	4.5%	32000.00
CHARLES W SCOTKA OR BESSIE M SCOTKA, JT TEN C/O PATRICIA PO BOX 542 A WILLIAMS MANZANITA OR 971300542	01082001	4.5%	10000.00
CHARLES W SCOTKA OR BESSIE M SCOTKA, JT TEN C/O PATRICIA PO BOX 542 A WILLIAMS MANZANITA OR 971300542	10172000	4.5%	30000.00
ARLETTE M SODERBERG 1321 MIRROR WATERS ROAD ST CROIX FALLS WI 540247508	10111999	4.5%	10000.00
ARLETTE M SODERBERG 1321 MIRROR WATERS ROAD ST CROIX FALLS WI 540247508	04262001	4.5%	10000.00

NORTHWESTERN WISCONSIN ELECTRIC CO.  
DEMAND NOTES - PAYABLE APRIL 15 and OCTOBER 15

Dec 31, 2002

NAME OF PAYEE	DATE OF NOTE	INTEREST RATE	AMOUNT
CLARENCE A WAGMAN OR HARRIETTE J WAGMAN, JT TEN PO BOX 166 GRANTSBURG WI 548400166	10011999	4.5%	40000.00
LOREN K WEDIN P.O.D. DEBRA CALHOUN AND JERRY CALHOUN 22621 HANSONS POINT ROAD GRANTSBURG WI 548409032	10201999	4.5%	5000.00
LOREN K WEDIN P.O.D. GERALDINE WEDIN 22621 HANSONS POINT ROAD GRANTSBURG WI 548409032	11062000	4.5%	50000.00
LOREN K WEDIN P.O.D. DEBRA CALHOUN AND JERRY CALHOUN 22621 HANSONS POINT ROAD GRANTSBURG WI 548409032	04172001	4.5%	7000.00
LOREN K WEDIN P.O.D. DEBRA CALHOUN AND JERRY CALHOUN 22621 HANSONS POINT ROAD GRANTSBURG WI 548409032	05312002	4.5%	10000.00
LOREN K WEDIN P.O.D. DENNIS, CHRISTINE, RYAN, JONATHAN 22621 HANSONS POINT ROAD & DAVID CALHOUN GRANTSBURG WI 548409032	10042002	4.5%	50000.00
		TOTAL:	2959000.00





MISC. CURRENT AND ACCRUED LIABILITIES (Acct. 242)

Minor items may be group by classes.

Description (a)	Balance end of Year (b)
Accrued Payroll	12,313
Accrued Pension Premium	28,153
Post Employment Benefits	19,047
Total	59,513

May not cross-check due to rounding

## DISTRIBUTION OF TAXES TO ACCOUNTS

Explain basis for allocation if used.

If the total does not equal taxes accrued, include a reconciling schedule.

Function (a)	Wisconsin License Fee (b)	Wisconsin Income Tax (c)	Federal Income Tax (d)	FICA and Fed. and State Un- employment Tax (e)
Accts. 408.1 and 409.1:				
Electric	326,003	108,969	247,529	122,505
Gas				
Water				
Heating				
Accts. 408.2 and 409.2		1,305	5,171	
Acct. 409.3				
Clearing accounts				8,465
Construction				57,692
Other (specify):				
282		20,010	78,990	
Total	326,003	130,284	331,690	188,662

Notes and explanations regarding tax distribution:

May not cross-check due to rounding

## DISTRIBUTION OF TAXES TO ACCOUNTS (Cont.)

PSC Remainder Assessment (f)	Local Property Tax (g)	State and Local Taxes Other Than Wisconsin (h)	Other Taxes (i)	Total (j)
15,362	477	25,484		846,329
				0
				0
				0
				6,476
				0
				8,465
				57,692
				0
				99,000
				0
				0
				0
				0
				0
15,362	477	25,484	0	1,017,962

Notes and explanations regarding tax distribution:

May not cross-check due to rounding



**INTEREST AND DIVIDEND INCOME (Acct. 419)**

Security or account on which received (a)	Interest or dividend rate (b)	Amount (c)
(list items greater than \$10,000 separately, others may be grouped):		
Interest on Money Market and Savings Accounts		2,599
Total interest and dividends		2,599
Expenses applicable to above (as listed hereunder):		
None		
Total expenses		0
Interest and dividend income, before taxes		2,599

May not cross-check due to rounding

## DETAIL OF CERTAIN GENERAL EXPENSE ACCOUNTS

Description of item (a)	Amount (b)	
Acct. 923--OUTSIDE SERVICES EMPLOYED--State total cost, nature of service, and name of each person who was paid for services includible in this account, \$10,000 or more in case of Class B utilities and \$25,000 or more in case of Class A utilities.		
Bell, Gierhart & Moore, S.C., Attorneys D&B Programming - Computer Programming John Konicki - Actuarial Services for Pension Plan Midwest-Pension & Profit Sharing Services, Inc. - 401K Plan Administration Stotz & Company, S.C. - Accountants Miscellaneous	6,292 3,668 6,173 3,990 12,245 276	
Total	32,644	
Acct. 924--PROPERTY INSURANCE--List hereunder major classes of expenses and also state extent to which utility is self-insured against insurable risks to its property: Premiums for insurance	44,598	
Boiler & Machinery Policy: Limit - \$100,000; Deductible - \$1,000 Property: Basic Cause of Loss Limit - \$8,740,115; Deductible - \$5,000 Special Cause of Loss Limit - \$6,232,320 Deductible - \$1,000 We do not carry insurance on damage to our pole lines. Contractors Equipment: Limit - \$892,144; Deductible - \$250 Computer Policy: Replacement Cost Deductible - \$250 Breakdown Deductible - \$1,000 Comprehensive Dishonesty: Employee Limit - \$300,000 Forgery or Alterations Limit - \$100,000; Deductible - \$1,000 Transportation: Limit - \$100,000; Deductible - \$1,000		
Total	44,598	
Acct. 925--INJURIES AND DAMAGES--List hereunder major classes of expense. Also, state extent to which utility is self-insured against risks of injuries and damages to employees or to others: Premiums for insurance Dividends received from insurance companies--cr. Amounts credited to Acct. 262, Injuries and Damages Reserves Expenses of investigating and adjusting claims Cost of safety and accident-prevention activities	216,932   7,906 21,102	
General Liability: Gen.Total Limit - \$600,000; Damage Deductible-\$2,500 Excess Liability: Limit each occurrence - \$20,000,000 Automobile: Uninsured/Underinsured Motorist, Comb.Single Limit-\$300,000 Comprehensive Deductible - \$50 Collision Deductible - \$500 Worker's Compensation: Limit each accident - \$100,000 Limit each employee - \$100,000; Policy Limit - \$500,000 Fiduciary Responsibility, Pension & Welfare Fund: limit - \$1,000,000 Fiduciary & Employee Benefit Liability: Limit - \$1,000,000 Directors & Officers Liability: Limit - \$5,000,000 Corporate Indemnification Deductible - \$25,000 Employment Practices Liability Deductible - \$25,000 Riggers Liability: Limit - \$50,000; Deductible - \$1,000		
Total	245,940	

May not cross-check due to rounding

## DETAIL OF CERTAIN GENERAL EXPENSE ACCOUNTS (Cont.)

Description of item (a)	Amount (b)	
Acct. 926--EMPLOYE PENSIONS AND BENEFITS--Report total amount for utility hereunder and show credit for amounts transferred to construction or other accounts, leaving the net balance in Acct. 926		
Pension accruals or payments to pension fund	127,617	
Pension payments under unfunded basis		
Employees benefits (life, health, accident & hospital insur. etc.)	285,291	
Expense of educational and recreational activities for employees	27,769	
Other expenses (list major items)		
401K Retirement Savings Plan - Employer Contribution	12,006	
Total	452,683	
Acct. 930.2--MISCELLANEOUS GENERAL EXPENSES		
Industry association dues	11,536	
Nuclear power research expenses		
Other experimental and general research expenses		
Expenses of corporate organization and of servicing outstanding securities of utility	4,620	
Directors fees and expenses	12,665	
Other expenses (list major items):		
Publishing & Distributing Annual Reports	245	
Total	29,066	
Acct. 922--ADMINISTRATIVE EXPENSES TRANSFERRED--Cr.--Explain basis of computation of credit in this account.		
Capitalization of Administrative and General Salary Expense	98,319	
Total	98,319	

May not cross-check due to rounding

## ELECTRIC EXPENSES

Report all amounts under column d, "total operations", on the basis and in conformity with the uniform system of accounts and accounting directives prescribed by this commission. Allocate "total operations" amounts jurisdictionally between Wisconsin (PSCW) jurisdiction and all other jurisdiction.

Particulars (a)	Wisconsin jurisdictional operations (b)	Other jurisdictional operations (c)	Total operations (d)
<b>OPERATING EXPENSES</b>			
Power production expenses (500-557)	(Not Available by jurisdiction)		
Transmission expenses (560-573)			0
Distribution expenses (580-598)			0
Customer accounts expenses (901-905)			0
Customer service expenses (909-912)			0
Sales promotion expenses (915-918)			0
Administration and general expenses (920-935)			0
<b>Total operation and maintenance expenses (401-402)</b>	*	0	0
Depreciation expense (403)			0
Amortization of limited-term utility plant (404)	(Not Available by jurisdiction)		
Amortization of other utility plant (405)			0
Amortization of utility plant acquisition adjustment (406)			0
Amortization of property losses (407)			0
Taxes other than income taxes (408.1)			0
Income taxes (409.1)			0
Investment tax credits, deferred (412.1)			0
Investment tax credits, restored (412.2)			0
<b>Total operating expenses</b>	**	0	0

\* These figures reported on FERC pages 320-323.

\*\* These figures reported on FERC page 114.

May not cross-check due to rounding.



SALES TO ULTIMATE CUSTOMERS

1. Report data by rate schedule for all sales of retail electricity ( including unbilled revenues and KWH) for each account. Show totals for each account and for combined sales to ultimate customers.
2. Report number of customers on the basis of number of meters plus the number of flat rate accounts. Where meter readings are added for billing purposes, count one customer for each group of meters so added. Compute the average on the basis of the 12 month ended figures.
3. If the customer count in any service classification includes customers counted more than once because of special services, such as water heating, etc., indicate in a footnote the number of such duplicate customers included in the classification.

Rate schedule (a)	Wisconsin Geographical Operations		
	Revenues (b)	KWH "000's" omitted (c)	Avg. no. customers (d)
These figures reported by Wisconsin Geographical Operations & Minnesota Geographical Operations on FERC Pages 304, 304.1 & 304.2			
	0	0	0

May not cross-check due to rounding.



**SALES TO ULTIMATE CUSTOMERS**

1. Report data by rate schedule for all sales of retail electricity ( including unbilled revenues and KWH) for each account. Show totals for each account and for combined sales to ultimate customers.
2. Report number of customers on the basis of number of meters plus the number of flat rate accounts. Where meter readings are added for billing purposes, count one customer for each group of meters so added. Compute the average on the basis of the 12 month ended figures.
3. If the customer count in any service classification includes customers counted more than once because of special services, such as water heating, etc., indicate in a footnote the number of such duplicate customers included in the classification.

	<b>Out-of-State Geographical Operations</b>		
<b>Rate schedule (a)</b>	<b>Revenues (b)</b>	<b>KWH "000's" omitted (c)</b>	<b>Avg. no. customers (d)</b>
These figures reported by Wisconsin Geographical Operations & Minnesota Geographical Operations on FERC Pages 304, 304.1 & 304.2			
Total Out-of-State	0	0	0
Total Utility	0	0	0

May not cross-check due to rounding.



POWER COST ADJUSTMENT CLAUSE (if applicable)

Report below the revenue derived from the power cost adjustment clause for the year for each rate schedule that is reported on page E-2. Do not combine any of the rate schedules.

Rate schedules (a)	PCAC revenue (b)
	NOT AVAILABLE
	0

POWER COST ADJUSTMENT CLAUSE FACTOR (if applicable)

1. Report below in col. (b) the monthly PCAC Factors actually applied in determining monthly revenues for the year.
2. The monthly PCAC Factor may be stated as a percent or as dollars per Kwh according to your power cost adjustment clause.

Month (a)	Adjustment factor (b)
January	(0.0006)
February	(0.0024)
March	0.0020
April	(0.0019)
May	(0.0049)
June	0.0113
July	0.0139
August	(0.0033)
September	0.0010
October	(0.0022)
November	0.0031
December	0.0035



## OTHER ELECTRIC OPERATING REVENUES (ACCTS. 450-456)

1. Report succinct statement of the revenues in each account and show separate totals for each account.
2. Report name of lessee and description of property for major items of rent revenue. Group other rents less than \$25,000 by classes.
3. For sales of water and water power, report name of purchaser, purpose for which water used and the development supplying water.
4. Report basis of charges for any interdepartmental rents.
5. Report details of major items in Acct. 456. Group items less than \$25,000.

Particulars (a)	Amount (b)
Account 450 - Late Payment Charges	40,645
Account 451 - Miscellaneous Service Revenues	41,318
Account 454 - Rents	11,951
Account 456 - Wheeling Charges - Dairyland Power Cooperative	130,837
Miscellaneous Revenues	11,271
Total (Accounts 450-456)	236,022

## ACCUM. PROV. FOR DEPRECIATION OF PLANT IN SERVICE (Acct. 108)

Report in column (e) additional depreciation expense authorized by Commission to be charged where tax depreciation allowances exceed book amounts.

Primary plant accounts (a)	Balance first of year (b)	S.L. Dpr. rate % used (c)	Accruals during year	
			Straight line amount (d)	Additional amount (e)
STEAM PRODUCTION				
Land and land rights (310)				
Structures & improvements (311)				
Boiler plant equipment (312)				
Engines & eng.-driven gen. (313)				
Turbogenerator units (314)				
Accessory elec. equipment (315)				
Misc. power equipment (316)				
Total steam production	0		0	0
NUCLEAR PRODUCTION				
Land and land rights (320)				
Structures & improvements (321)				
Reactor plant equip. (322)				
Turbogenerator units (323)				
Accessory elec. equipment (324)				
Misc. power plant equip. (325)				
Total nuclear prod. plant	0		0	0
HYDR. & PUMPED STORAGE				
Structures & improvements (331)	0	0.0263		
Reser., dams & waterways (332)	0	0.0208		
Water wheels, turb. & gen. (333)	0	0.0233		
Accessory elec. equipment (334)	0	0.0263		
Misc. power plant equip. (335)	0	0.0500		
Roads, railroads & bridges (336)	0	0.0400		
Total hydraulic production	0		0	0
OTHER PRODUCTION				
Structures & imprvmnts. (341)	248,190	0.0303	11,258	
Fuel holders, prod. & access. (342)	10,607	0.0385	16,936	
Prime movers (343)	1,716,881	0.0457	128,887	
Generators (344)	496,429	0.0435	33,978	
Accessory elec. equipment (345)	231,279	0.0400	15,003	
Misc. power plant equipment (346)	19,066	0.0476	1,704	
Total other production	2,722,452		207,766	0
TRANSMISSION PLANT				
Land and land rights (350)	0			
Structures & imprvmnts. (352)	8,384	0.0333	2,320	
Station equipment (353)	876,672	0.0333	88,567	
Towers and fixtures (354)	0	0.0333	0	
Poles and fixtures (355)	573,345	0.0333	67,995	
Overhead cond. & devices (356)	725,566	0.0300	71,560	
Underground conduit (357)	24,420	0.0333	5,405	
Underground cond. & devices (358)	45,632	0.0333	9,245	
Roads and trails (359)	653	0.0333	261	
Total transmission	2,254,672		245,353	0

May not cross-check due to rounding.



## ACCUMULATED PROVISION FOR DEPRECIATION OF PLANT IN SERVICE

Book cost of plant retired (f)	Cost of removal (g)	Salvage (h)	Other additions or deductions		Balance end of year (k)
			Debit (i)	Credit (j)	
					0
					0
					0
					0
					0
					0
					0
0	0	0	0	0	0
					0
					0
					0
					0
					0
0	0	0	0	0	0
					0
					0
					0
					0
					0
0	0	0	0	0	0
					0
					0
					0
					0
					0
					0
400,000					259,448
850					27,543
					1,445,768
					529,557
					246,282
					20,770
400,850	0	0	0	0	2,529,368
					0
					10,704
17,865	8,428	1,015			939,961
					0
41,183	11,827	940			589,270
43,602	11,757	5,798			747,565
					29,825
					54,877
					914
102,650	32,012	7,753	0	0	2,373,116

May not cross-check due to rounding.

## ACCUMULATED PROVISION FOR DEPRECIATION OF PLANT IN SERVICE

Report in column (e) additional depreciation expense authorized by Commission to be charged where tax depreciation allowances exceed book amounts.

Primary plant accounts (a)	Balance first of year (b)	S.L. Dpr. rate % used (c)	Accruals during year	
			Straight line amount (d)	Additional amount (e)
-----				
DISTRIBUTION PLANT				
Land and land rights (360)				
Structures & improvements (361)	165,585	0.0345	14,955	
Station equipment (362)	317,692	0.0333	33,275	
Storage battery equip. (363)	0		0	
Poles, towers & fixtures (364)	1,230,403	0.0375	123,666	
Overhd cond. and devices (365)	1,437,242	0.0321	134,194	
Underground conduit (366)	0		0	
Underground cond. & devices (367)	1,396,140	0.0435	179,506	
Line transformers (368)	928,832	0.0317	93,150	
Services (369)	948,861	0.0389	108,116	
Meters (370)	398,055	0.0333	30,946	
Install. on cust. prem. (371)	0		0	
Leased prop. on cust. prem. (372)	0		0	
St. lighting & signal sys. (373)	185,016	0.0611	32,880	
-----				
Total distribution	7,007,826		750,688	0
-----				
GENERAL PLANT				
Structures and imprvmnts. (390)	169,740	0.0256	11,187	
Office furniture & equip. (391)	49,918	0.0667	5,609	
Transportation equipment (392)	232,406		48,176	
Stores equipment (393)	73	0.0333	4	
Tools, shop & garage equip. (394)	100,338	0.0556	11,471	
Laboratory equipment (395)	44,817	0.0526	4,259	
Power operated equipment (396)	688,182		116,121	
Communication equipment (397)	58,406	0.0769	6,744	
Miscellaneous equipment (398)	0		0	
Computer Equipment (391.1)	67,453	0.1000	11,856	
-----				
Total general	1,411,333		215,427	0
-----				
Total	13,396,283		1,419,234	0

## DEPRECIATION SUMMARY

Total depreciation expense (columns (d) and (e))	1,419,234
Less amounts charged to clearing accounts	
Transportation Clearing	155,456
Other	
Plus allocation of depreciation on common plant	
<b>Total electric depreciation expense</b>	<b>1,263,778</b>
Total reserve balance (column k)	13,652,795
Plus allocation of reserve on common plant	
<b>Total depreciation reserve for electric utility</b>	<b>13,652,795</b>

May not cross-check due to rounding.

## ACCUMULATED PROVISION FOR DEPRECIATION OF PLANT IN SERVICE

Book cost of plant retired (f)	Cost of removal (g)	Salvage (h)	Other additions or deductions		Balance end of year (k)
			Debit (i)	Credit (j)	
					180,540
34,228	4,448	1,900			314,191
					0
75,978	40,387	1,623	4,093		1,235,234
93,998	46,542	5,807	4,092		1,432,611
					0
41,651	4,584	18			1,529,429
64,267	608	1,848			958,955
34,135	12,761				1,010,081
8,953	2,352				417,696
					0
10,249	5,230				0
					202,417
363,459	116,912	11,196	8,185	0	7,281,154
127					180,800
					55,527
61,235		10,210			229,557
					77
6,118		500			106,191
					49,076
115,603		14,770			703,470
					65,150
					0
					79,309
183,083	0	25,480	0	0	1,469,157
1,050,042	148,924	44,429	8,185	0	13,652,795
Explanation of items in columns (i) and (j):					
Column I:					
\$8,185 - Depreciation Adjustments for Taxes					
Column J:					

May not cross-check due to rounding.



## MONTHLY PEAKS AND OUTPUT

1. Report hereunder the information called for pertaining to simultaneous peaks established monthly (in thousands of kilowatts) and monthly output (in thousands of kilowatt-hours).
2. Monthly peak col. (b) should be respondent's maximum kw. load as measured by the sum of its coincidental net generation and purchases plus or minus net interchange.
3. State type of monthly peak reading (instantaneous (0), 15, 30, or 60 minutes integrated).
4. Monthly output should be the sum of respondent's net generation for load and purchases plus or minus net interchange and plus or minus net transmission or wheeling. Total for the year should agree with line 23 on page E-28.
5. If the utility has two or more power systems not physically connected, the information called for below should be furnished for each system.

Month (a)	Monthly peak					Mo. output (KWH) (000's) (g)
	KW (000,s) (b)	Day of week (Mon. etc.) (c)	Day of month (1,2,3, etc.) (d)	Hour Ending (0100-2400) (e)	Type of reading (0,15,30,60) (f)	
January	29	Friday	01/18/02	800	60	17,111
February	29	Monday	02/04/02	800	60	14,942
March	28	Monday	03/04/02	800	60	16,528
April	26	Friday	04/05/02	800	60	14,669
May	27	Thursday	05/30/02	1400	60	14,949
June	32	Friday	06/28/02	1500	60	15,735
July	37	Monday	07/01/02	1500	60	18,471
August	30	Thursday	08/01/02	1200	60	16,583
September	32	Monday	09/09/02	1500	60	15,270
October	26	Thursday	10/24/02	800	60	15,911
November	30	Monday	11/25/02	1900	60	16,336
December	30	Monday	12/02/02	800	60	17,715
Total						194,220
System Name						



## ELECTRIC DISTRIBUTION LINES

1. If a utility has available the number of poles, but not miles of pole line, it will be considered satisfactory to determine miles of pole line by multiplying number of poles by average length of span, indicating in a footnote the average span used.
2. Urban distribution lines and rural distribution lines are to be reported separately for Wisconsin and for outside the state.
3. Urban distribution lines are defined as lines inside corporate limits of incorporated places, lines in urban areas adjacent to such corporate limits, and lines in unincorporated communities with urban characteristics. All pole lines used for urban distribution, including joint distribution and transmission, other joint distribution lines, and joint use of foreign lines are to be reported

Particulars (a)	Miles of:		
	Pole line (b)	U.G. conduit (subway) (d)	Buried cable
Lines in Wisconsin:			
Urban distribution lines--primary voltage	30.01		22.00
Urban distribution lines--secondary voltage	34.16		2.16
Rural distribution lines--primary voltage	524.09		196.95
Rural distribution lines--secondary voltage	41.89		12.74
Total in Wisconsin	630.15	0	233.85
Lines outside the state:			
Urban distribution lines--primary voltage	0.00		0.00
Urban distribution lines--secondary voltage	0.00		0.00
Rural distribution lines--primary voltage	4.68		7.96
Rural distribution lines--secondary voltage	0.48		0.12
Total outside the state	5.16	0	8.08
Total lines of utility	635.31	0	241.93





NAMES OF CITIES, VILLAGES, AND TOWNS

NUMBER OF CUSTOMERS IN EACH SUPPLIED DIRECTLY WITH ELECTRICITY BY REPORTING UTILITY AT END OF YEAR  
Report in alphabetical order first, cities, and second, incorporated villages. Next, report  
towns in alphabetical order under each county, also listed in alphabetical order. Show  
total for each group and for total company.

(CLASS A & B)

Location	Customers end of year	Location	Customers end of year
(a)	(b)	(a)	(b)
Villages			
Balsam Lake Village	891		
Centuria Village	9		
Frederic Village	811		
Grantsburg Village	925		
Milltown Village	585		
Siren Village	701		
Webster Village	544		
Total	4,466		
Townships			
Anderson	135		
Arna	86		
Balsam Lake	477		
Blaine	53		
Clam Falls	350		
Crosby	17		
Daniels	349		
Eureka	314		
Grantsburg	165		
Jackson	165		
Laketown	430		
Lincoln	69		
Lorain	22		
Luck	39		
Meenon	123		
Milltown	475		
Oakland	1,026		
St. Croix	284		
Scott	412		
Siren	311		
Sterling	182		
Swiss	1,126		
Trade Lake	472		
Union	347		
Webb Lake	1,066		
West Marshland	45		
West Sweden	186		
Wood River	668		
TOTAL	9,394		
TOTAL COMPANY	13,860		

Totals not available by villages and townships without multiple meter count per customer



Submit herewith a map or maps of the territory served with electricity showing the location and company designation of generating stations, points of purchase, important substations, and transmission lines. Show also the names of large communities served and the boundaries of the utility's operating divisions.

MAP ATTACHED

1  
2  
3  
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# TRANSMISSION LINES NORTHWESTERN WISCONSIN ELECTRIC CO

December 31, 2002

